RETAILER OFFERS PERIL USEFULNESS

Cash for coupons in U.K.

By HOWARD SHARMAN

LONDON—New moves by several of the U.K.'s largest grocery retailers are throwing doubts over the future usefulness of coupons as a promotional tool for marketers.

Late last month, Tesco, the second-largest supermarket chain with 13% to 14% of the market, announced publicly that it would accept manufacturers' cents-off coupons as if they were cash. The chain said it was waiving the normal obligation of a given product.

This Tesco lead now has been followed by ASDA, Safeway and Waitrose. Sainsbury, the leading supermarket chain in the U.K. with a market share of about 15%, apparently has followed the same policy—unannounced—for several years, but its adoption by the other chains means that stores handling over 40% of the U.K. grocery business are now treating the marketers' coupons as if they were cash.

"I believe this is one of the most serious single developments in brand marketing techniques," says Peter Hood, managing director of the leading sales promotion consultancy, Triangle. "It will make it very hard to get new products quickly established. Manufacturers will have to find other techniques, but regrettably there is nothing quite like a coupon for creating instant brand demand."

A top executive from one leading grocery marketer commented: "Manufacturers will have to be much more careful in the future in how they issue coupons." He predicted that over the next 12 months there would be a considerable increase in the number of coupons which were limited to a named retailer.

Colin Chamberlain, general manager for marketing at H.J. Heinz here, says: "We tend to use on-pack coupons fairly exclusively, and we have shied away from using newspaper coupons because of the recognizably high level of misredemption. Tesco's initiative is really a coming out into the open. There are a number of retailers who have done this openly or covertly for a number of years.

"If the coupon idea dies, the publishers of newspapers who have allowed the value of the coupons printed to rise above the cost of the paper will be at least as guilty as the retailers who misredeem the coupons."

According to the A.C. Nielsen Coupon Clearing House, there were 324 million coupons redeemed in the U.K. in 1981, with an average face value of 15¢. These

(Continued on Page 62)

Wensberg to head Polaroid marketing

By GAY JERVEY

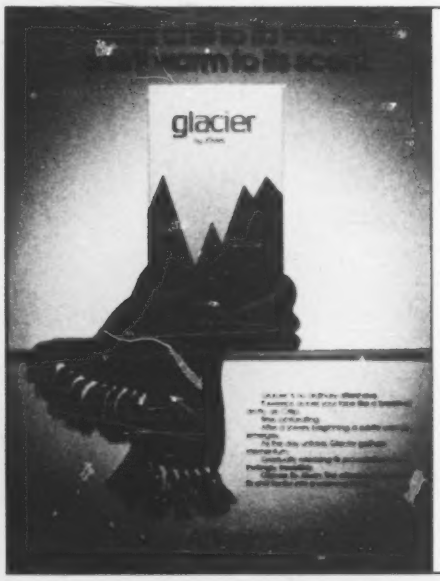
Peter Wensberg, the Polaroid veteran who will assume the worldwide marketing responsibilities vacated by Ted Voss' recent move to Atari, says that the company's 1983 ad budget should increase—probably substantially—and that Polaroid will be looking for ways to make instant photography a little more dashing.

"We will try to find ways to impress the emotional impact of using instant cameras," said the executive, who some say has become decidedly less of a dark horse in the canter for the Polaroid presidency, to be vacant in the not-too-distant future through the retirement of William McCune.

■ Sources close to the company, including a former employe who knows Mr. Wensberg well, praise his appointment as top marketing exec. "A very, very capable marketing guy," observed an executive at a major competitor.

"There are so many benefits to instant photography," said Mr. Wensberg in an interview. "The relationship between the taker and the subject; the emotional impact of having the picture right there versus seeing it later—these are the kinds of things we will want to

(Continued on Page 58)



From cold to warm

Print ads included in Jovan Inc. sales material for the introduction of Glacier aftershave (AA, March 8) emphasize the time-release capability of the "long lasting" aftershave. J. Walter Thompson USA, Chicago, is the agency for the Beecham unit.

New liquid soap positions against Lever's Dove

Armour-Dial rolling Liqua 4

By JENNIFER ALTER

Armour-Dial is getting ready to make the first national move in the liquid soap segment by a major soap company, introducing its Liqua 4, which has been testing in Orlando for the past 10 months.

In going into the field heretofore dominated by Minnetonka's Softsoap, the Phoenix-based marketer of Dial deodorant soap is positioning its entry against bar soaps rather than liquid soaps—specifically Lever Bros.' Dove.

Although A-D would not comment on its plans, it is telling retailers that Liqua 4 will be "the No. 1 advertised soap during the balance of 1982," with tv and magazine support and 180 million coupons being dropped. Trade literature states that "marketing support" will be "at a $32 million level" this year. Foote, Cone & Belding/Honig, San Francisco, is the agency.

The product is currently being sold in bath and personal sizes; shipment is scheduled for mid-August.

Dubbed a "skin cleansing system," Liqua 4 comes in a plastic squeezable container shaped like a bar of soap. It is positioned as a cosmetic brand and said to contain "4 special skincare ingredients impossible to harden in bar soap." They are said to be a "unique" moisturizer, a "special" conditioner, a "superb" smoother and a "deep" cleanser.

In its quest to distinguish itself from other liquid soaps, Dial is emphasizing to the trade the fact that Liqua 4 comes in a box the shape and size of a bar soap package, which means "no stocking problems like bottled liquids." Sales material claims the brand achieves 17% higher ounce sales when stacked in the bar soap section vs. the liquid section. It also is said to have a purchase cycle similar to that of bar soap, *i.e.*, shorter than liquid.

■ The sales force is recommending in particular that the product be set next to Lever's Dove—which has a similar attribute of one-third cleansing cream—on the shelf.

Designed for use in both the

(Continued on Page 8)

highlights

Monday, July 26, 1982

Del Monte is going after a new image for its Hawaiian Punch drink line, without the services of Donny and Marie Osmond. *See Page 6.*

Procter & Gamble begins testing a reformulated Orange Crush, touted as having a fuller, more orange-like taste. *See Page 6.*

Federal Trade Commission hears pleas from antitrusters to crack down on below-cost pricing by the leading coffee companies. *See Page 10.*

Pet food marketers are gearing up for national rollouts as they begin to compete in the marketing of new "ultragourmet" cat foods. *See Page 12.*

The recession seems finally to have caught up with advertising agencies on the West Coast. *See Page 14.*

Canadian brewers are wondering about the future plans of their new competitor, Amstel Canada. *See Page 20.*

Dart & Kraft's KitchenAid has surprised the housewares industry by introducing a new food processor, manufactured to its specifications by Robot-Coupe International. *See Page 28.*

Heavy activity by both old and new marketers is showing that home safety products have come into their own as a housewares category. *See Page 28.*

German marketers are feeling the growing threat from generic products, which are rapidly increasing their market shares. *See Page 54.*

Cable operators overwhelmingly are eyeing pay-per-view as their next major source of revenue. *See Page 57.*

The MacBride Commission report will get a hearing at the UNESCO conference in Mexico City this week. *See Page 59.*

Gillette Co. will soon come out with a repositioned Right Guard. New Silkience moisturizer also has not met sales expectations. *See Page 61.*

Former Ziff Corp. president I. Martin Pompadur's plan to buy its remaining tv stations is putting the company where it wants to be—out of broadcasting. *See Page 62.*

General Foods reaffirms intentions to increase earnings and reduce costs by focusing on the profitability of its existing businesses. *See Page 62.*

Ad exec Herb Maneloveg of Della Femina, Travisano & Partners, is joining the growing cadre of independent consultants. *See Page 62.*

CORPORATE CLOSEUP

The new chief executive officer of Parker Pen Co., James Peterson, has bold plans to turn around the company's recent plunge in profits. *See Page 4.*

VIDEOTECH

An informal survey discovers a mixed response to the effects of recession on pay tv systems. *See Page 33.*

Stagnated negotiations have led to New York's decision to eliminate Cablevision Systems from competition for franchises in four unwired boroughs. *See Page 34.*

The Cabletelevision Advertising Bureau is seeking to integrate cable tv commercials into advertising award competition. *See Page 34.*

Pay tv services are inadvertently providing a new form of entertainment in Chicago—scrambled porn. *See Page 40.*

MAGAZINE

Playing politics in a big way. National and world affairs are ever more vital for magazines that are creating their own headlines with their revelations. *See Page M-2.*

Advertising both an art and a science? Constructing a conceptual framework for advertising provides an approach to better understanding it and how it works. *See Page M-39.*

SPECIAL REPORT

An unprecedented number of women entering the work force has caused one of the great socio-economic happenings of the century and has required marketers to alter their strategies. *See Page M-11.*

REGULAR FEATURES

ADBEAT	52	PHOTO REVIEW	26
ADVERTISING MARKETPLACE	49	PRESSTIME	8
CON-SID-ERATIONS	16	PUBLIC RELATIONS	46
CORRECTIONS & CLARIFICATIONS	16	REGIONAL NEWS	38
EDITORIAL VIEWPOINT	16	SPORTS MARKETING	24
FOR THE RECORD	57	VIDEOTECH UPDATE	34
OBITUARIES	57	VOICE OF THE ADVERTISER	48
		WORLD NEWS ROUNDUP	3

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Boosterism in star role at INAME

By STUART EMMRICH

SAN DIEGO—Two years ago, many in the newspaper industry would have bristled if their business had been compared to that of Chrysler Corp., a seemingly anachronistic auto maker that appeared to be headed toward bankruptcy.

But last week, at this year's summer conference of the International Newspaper Advertising and Marketing Executives, it was somehow fitting that a featured speaker was the vp-marketing of Chrysler, who came to tell the story of how that company had rebounded from near financial ruin to make the front page recently with news of its best quarterly performance in six years.

The unspoken parallels between the phoenix-like Chrysler Corp. and the often-beleaguered newspaper industry set the tone for this year's conference, which was designed partly as a workshop and partly as a gathering of cheerleaders for the newspaper business.

When Jack Givens, vp-marketing of Chrysler, told the gathering, "At Chrysler, the worst is behind us. We are over the hump and we can start looking to the future and not to the past," few of the 300

(Continued on Page 58)

Pour it on

Carnation Co. uses direct mail to tout Super Sauce liquid flavor enhancer for dry dog food, testing in the Los Angeles area (AA, July 19). "There's only so much flavor in dry dog food" reads the mailer (via SSC&B) for the meat-like gravy, packaged in a squeeze bottle.

Comparative ads out at Uniroyal—for now

By JAY McCORMICK

Uniroyal has pulled in the claws of its comparative ad campaign because of a government agency proposal, but the company is getting ready to fight its competitors with a different breed of tire.

The National Highway & Traffic Safety Administration's proposal to suspend tread-wear ratings has scratched Uniroyal's campaign, which compared its Steeler brand's tread life with Michelin tires. The Uniform Tire Quality Grading system met with criticism from almost every tire company except Uniroyal, which fared best in tread-wear ratings.

The NHTSA is reviewing the system "to avoid dissemination of potentially misleading tire grading information to consumers."

Uniroyal believes the system is salvageable but will not use the rankings while the NHTSA proposal is being reviewed. "As long as the system is somewhat tainted at the moment, I have no intention of using it," said Robert Horning, vp-marketing at Uniroyal.

■ Uniroyal will eventually return to comparative advertising, even if it has to do the testing itself. "We were pleased to compete with our competitors using a government standard, but if there will not be a government standard in the future, we'll have to substantiate our claims in some other way," said Mr. Horning.

For the time being, New York-based Uniroyal will shift strategies as it introduces its new all-season Tiger Paw tire. Tv commercials for the Tiger Paw will emphasize traction and safety rather than long tread wear, even though the new tire beats Uniroyal's previ-

(Continued on Page 61)

Cable discovers marketing

By SUSAN SPILLMAN

CHICAGO—Executives of the cable tv industry have made a major discovery. More than 1,000 of them meeting here for 2½ days last week came to the conclusion that in order to sell their product, they'd best start marketing it.

The industry's twofold-plus growth, spurred by the expansion into dozens of new markets since 1979, was tempered with some disheartening statistics at the Cable Television Administration & Marketing Society's sixth annual meet.

In the past three years some 13 million cable subscriptions have been canceled. During this period, the top 20 multiple systems operators have failed to capture more than 55% of their potential markets, despite the advent of some 40 new cable programing services.

■ "We need to approach the video market the same way Procter & Gamble approaches the supermarket," said Tom Wheeler, president of the National Cable Television Assn., the industry's lobbying arm. "As surprising as it may seem, consumers don't know who we are, what we sell or why we're different."

Preoccupied with the billion-dollar bidding and building of America's cable franchises, industry executives, now confronted with an alphabet soup of competing technologies, admittedly just have stumbled on the concept of marketing. As Mr. Wheeler put it, "When we were the only wheel in town, the consumer had no choice if he or she wanted expanded television service. In that kind of environment it is not difficult to let consumer relations slip."

But determined to repent, cable

(Continued on Page 57)

Ventures into hydroponics after Gen. Mills retreats

Kraft seeks salad stability

By JANET NEIMAN

Kraft Inc. is taking a conservative approach in its entry into the marketing of hydroponically grown, branded produce.

Under the new Sun Seasons label, Kraft entered butterhead, limestone and bibb lettuce, European cucumbers and cherry tomatoes into Tucson tests late last month, and is now beginning Phoenix tests (AA, July 12).

Glenview, Ill.-based Kraft has entered the arena of growing produce indoors in nutrient solutions without heavy financial investment in production facilities or energy costs. Its venture contrasts sharply with the experience of General Mills, which recently said it plans to divest or license out the assets of its Kitchen Harvest hydroponics unit.

General Mills' multi-million-dollar facility in DeKalb, Ill., still in operation, was built in 1980, when the company was intent on experimenting with production that would compete with traditional produce to "serve northern markets competitively," a company spokesman explained. "If done successfully, it would be in proximity to markets where transportation costs and distribution make it possible to do it," he said.

General Mills marketed Kitchen Harvest in limited tests, with advertising from Dancer Fitzgerald Sample, New York. But the experiment, primarily with leaf lettuce, apparently proved too expensive; in its announcement of the sale or license, the company noted that "there are faster growing areas of business that need investment immediately and show better return on investment."

Industry sources point to energy

(Continued on Page 61)

world news roundup

GENEVA—Procter & Gamble is planning to fight the Swiss government's prohibition on advertising phosphate detergents on radio. P&G's biggest worry is that the ban will extend to tv as well.

AMSTERDAM—Philip Morris, R.J. Reynolds, British American Tobacco and three Dutch companies are considering an appeal of EEC fines totaling $1.5 million for offering unfair discounts to dealers.

PARIS—The French government's new tax on drug ads may be as high as 8%, to balance the Social Security deficit.

MEXICO CITY—Mexico's private tv monopoly, Televisa, last week announced early rate increases ranging from 29% to 56%.

TOKYO—Hitachi has resumed advertising in newspapers and magazines after an hiatus due to indictments charging it with conspiring to purchase confidential computer secrets in the U.S. (AA, July 5).

LONDON—Harrison McCann won the $1.8 million Dutch Dairy Bureau account for Edam and Gouda cheeses.

New product drives boost Bud, Kodak

By JOSEPH M. WINSKI

Anheuser-Busch's Budweiser beer, in the midst of an aggressive introductory campaign for Budweiser Light, jumped to fifth place among all advertisers in consumer awareness in June, as measured by adWatch, a continuing survey of advertising awareness conducted by ADVERTISING AGE and SRI Research Center, Lincoln, Neb.

Budweiser didn't rank among the top 10 in awareness in May. It was No. 9 in April, the first month of the survey.

In addition, Budweiser increased its awareness lead over Miller in the beer industry, being named by 14.5% of consumers as the beer advertising that first came to mind, compared to the 10.8% who named Miller. Budweiser had wrested the lead from Miller in May, with 14.2% of the responses to Miller's 12.2%. In April, Miller had received 17.1% of the responses to Budweiser's 12.8%.

In June, 1.36% of the 1,250 consumers 18 years of age and over polled said Budweiser advertising first came to mind among all advertising they had read, seen or heard in the previous month. The top four in awareness in June were the same as in May: Coca-Cola (5.30% of all responses in June), Pepsi-Cola (2.30%), Miller beer (1.70%) and McDonald's (1.44%).

Joining Budweiser as a newcomer to the June top 10 was Procter & Gamble's Tide detergent, which ranked No. 10. Tide, like Budweiser, had been on the first month's top 10, having ranked No. 7 in April.

In another notable move that, like Budweiser's, may have been related to a new product push, Kodak gained 5.7 points in awareness, the most of any advertiser in June, and solidified its hold on No. 1 in cameras. Kodak has been backing its new disc camera with heavy advertising. Polaroid lost two points and fell to No. 3 in the group behind Canon, with whom it had tied for second in May. Kodak received 21.4% of all category responses in June, Canon 11.5% and Polaroid 9.4%.

adWatch

Dropping from the top 10 in June were Toyota (No. 6 in May) and General Motors (tied for No. 9 in May). Rounding out June's rankings were No. 6 Ford (No. 5 in May); No. 7 Chrysler (from No. 9), and Dr Pepper and Chevrolet, which tied for No. 8 after having tied for No. 7 in May.

There were six new leaders in June among the 20 product categories monitored. In airlines, United replaced Eastern in the top spot; United's awareness score increased by 5 points in June, one of the largest gains recorded. In coffee and tea, General Foods' Maxwell House suffered a decline of 6.8 percentage points, by far the largest June drop, and dropped to No. 3 in the category, yielding the top spot to Folger's, while

(Continued on Page 54)

Top 10 in awareness, June

Advertising named most often

June	May		June % of responses
1.	1.	Coca-Cola	5.30
2.	2.	Pepsi-Cola	2.30
3.	3.	Miller	1.70
4.	4.	McDonald's	1.44
5.	—	Budweiser	1.36
6.	5.	Ford	.96
7.	9.	Chrysler	.89
8.	7.	Chevrolet	.64
8.	7.	Dr Pepper	.64
10.	—	Tide	.48

Question: Of all the advertising you've read, seen or heard in the last month, which ad comes first to mind?
Source: SRI Research Center Inc., Lincoln, Neb.

New product boosts Bud

(Continued from Page 3)

Sanka moved to second place.

Avon replaced Chanel as the leader in cosmetics and fragrances, as Chanel dropped out of the top three in the category. Scott took over No. 1 in paper products, replacing Charmin. Two industry leaders in April regained their top spots in June: Purina supplanted Alpo, the May leader, in pet food, while Gallo reclaimed the top spot in wine and liquor from Riunite.

In the continuing cola wars, Coca-Cola closed in on category awareness leader Pepsi, narrowing Pepsi's lead to just one percentage point (27.6% to 26.6%) from its 3.4 point lead in May. Coke had led the category in April.

Retaining the top spots in their industries in addition to Budweiser, Pepsi and Kodak were Kellogg (breakfast foods), Ford (cars/trucks), McDonald's (fast-food restaurants), Wrigley (gum/candy), Atari (home electronics), Tide (laundry products), Tylenol (medicine and drugs), Birds Eye (packaged, canned, frozen foods), Prell (personal soap and shampoos), Charmin (personal toiletries/hygiene) and Marlboro (tobacco products).

■ New among the top three in their categories were GF's Fruit 'n Fibre, No. 3 in breakfast foods; Maybelline, No. 3 in cosmetics and fragrances; Sony, No. 2 in home electronics; P&G's Coast, No. 3 in personal soap and shampoos; White Cloud (P&G), No. 3 in personal toiletries/hygiene; Brown & Williamson's Kool cigarets, No. 3 in tobacco products, and Jos. Garneau Co.'s Cella Italian wine, No. 3 in wine and liquor.#

Tide did it

April's listing of the top 10 advertised products in over-all consumer awareness incorrectly ranked Swift & Co.'s Peter Pan peanut butter No. 7. Procter & Gamble's Tide actually was No. 7 that month. Peter Pan did not make the top 10.

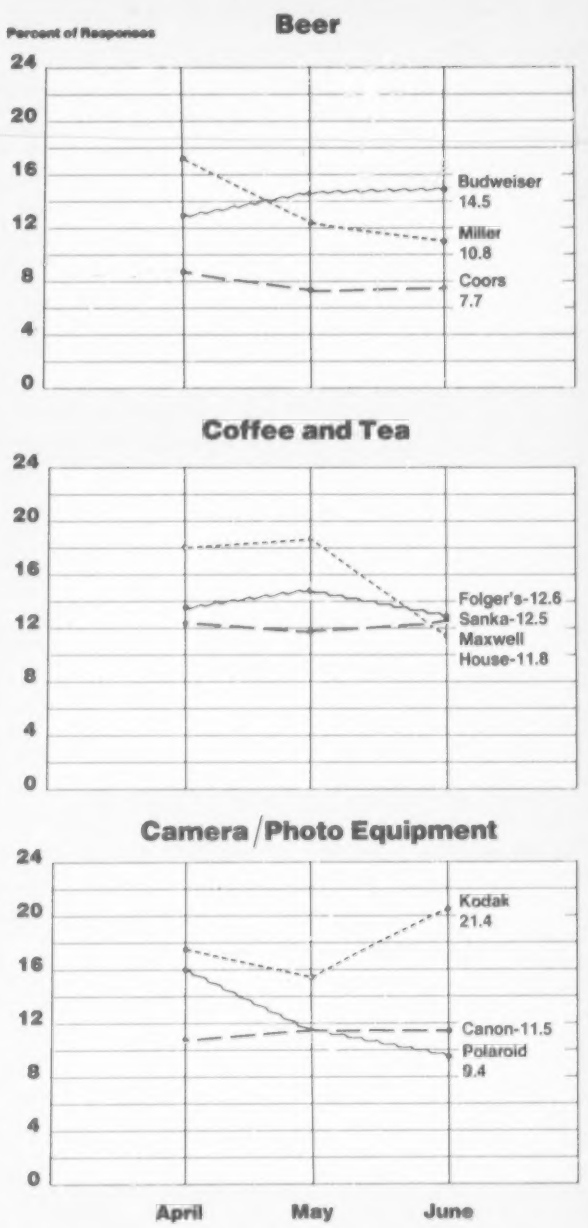
Advertising Age wants your reactions to adWatch. We are particularly interested in hearing from agency and advertiser personnel directly involved in advertising for the brands frequently mentioned in the survey. Please direct your comments to Joseph M. Winski, editor-at-large, Advertising Age, 740 Rush St., Chicago, Ill. 60611. Phone: (312) 280-3116.

Persons wanting more information on adWatch data and methodology should contact Gary Gabelhouse, SRI Research Center Inc., 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

adWatch

Trends in Ad Awareness

Question: Of all the ads for (product category) you've read, seen or heard in the last month, which ad first comes to mind?



Source:SRI Research Center Inc., Lincoln, Neb.

German marketers feel generics' heat

By DAGMAR MUSSEY

Duesseldorf—German marketers are facing a growing threat from unbranded generic products, which are rapidly increasing their market shares.

Dismissed three years ago by the German branded goods and food industries, generics have grown to where they are now a peril to the major brands.

One of the biggest impacts is in detergents, where the latest numbers show generics have grown to a 23% market share, nearly as much as Henkel's famous Persil detergent. Henkel is frantically trying to cut down its stockpiles in a detergent market that shrank by 1% last year.

Yet both Henkel and Procter & Gamble, whose Ariel is battling with Persil, say emphatically that they will not stoop to making their own generic products. But at a recent press conference, Henkel officials acknowledged that generics are biting into their business.

Juergen Schrader, chairman of the German Unilever group, points out that the consumers' switch to generics has cut the average return on sales to 1%, compared with 1.3% two years ago. "The housewife no longer values the quality and presentation of branded goods as we think she should," he said.

German Nestle AG, Frankfurt, not quite so hard-pressed by generics, is taking the classical route of new products and—almost alone in the Germany industry—boosting its ad appropriation by 20% to hold its own in shrinking markets.

Things are tougher for Nestle's Munich subsidiary, Allgaeuer Alpenmilch, the largest German producer of canned milk, which is under heavy pressure from box store giant Aldi's house label. An improved product range and heavier advertising will be called on to hold market share, but Allgaeuer Alpenmilch chief Hans D. Kalscheuer thinks it conceivable the company would step up its now-small generics business if competition grew too fierce.

The Sinus research institute study for Ted Bates, Frankfurt, shows that disposable paper products with weak brand identification are up against tough competition. PWA (Papierfabriken Waldhof-Aschaffenburg), Mannheim, has seized this opportunity and by 1981 already was channeling one-third of its output into generics, with excellent growth rates.

Even VPW (Vereinigte Papier Werke), a Schickedanz company, producer of hard-to-copy products like Camelia sanitary pads and elastic-leg diapers, and also active in the tissue field, frankly admits that it too already is turning out cut-price products, though on a smaller scale. This will probably increase in the future, seeing that VPW showed its first loss in 1981.

It is no secret that keen competition, rising costs and declining population are forcing manufacturers to turn out no-name brands, particularly in the dairy and yogurt sector. Klaus Wiegandt, general manager of the Rewe-Leibbrand group, believes that within two years at most, even the most embittered foes of generics will be producing their own instead of leaving the business to the competition.

Only in cigarets have the generics failed to frighten the major marketers. Though the leading retail groups—Aldi, Leibbrand, Tengelmann, Edeka—have off-brand or no-brand cigarets, priced about 25% below regular brands, they have not been a great threat to the majors so far.

Three reasons are given to explain the German success with generics. Aldi began 10 years ago to divert customers from the big chains with its cut-price merchandise; in the end, even the biggest could only respond by offering their own low-price assortments. Another reason is the great power of the German food retailers, who can dictate to the industry what products shall be supplied at what prices.

Also, declining population, recession and unemployment are forcing Germans to be thrifty.

Bernd Michael, head of Gramm & Grey, Duesseldorf, commented: "Not until the buzz about cut prices disappears from the newspapers will the no-names and generics revert to their old inconspicuous position. After all, the trade cuts off its nose to spite its face with generics, because you can't make money on them."#

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Money couldn't buy market share

The sad tale of Cycle's 12-year quest for success

By Jack J. Honomichl

The pet foods division of General Foods Corp. had an operating profit of $35 million on established brands in fiscal year 1974, I've been told by a former top-level GF executive who was there at the time. In fiscal 1981, the division had an operating loss of $12 million, as estimated by a prominent financial analyst in Chicago. Lots of things, of course, contributed to that dramatic reversal, but the most conspicuous—and probably most important—was Cycle dog food.

This is an insider's story of Cycle's development, marketing strategy and the miscalculations that haunt GF's marketing management to this day. The moral: Having an enormous amount of money to spend doesn't mean you can buy marketing happiness in the pet food industry. Or, from an advertising agency's point of view, the client can hand you a dandy, built-in copy platform and huge budgets, but that doesn't necessarily mean you can advertise him out of a hole he dug for himself (in Topeka, Kan.).

Let's start by positioning Cycle canned, which has been in national distribution since spring, 1976. (A dry, bagged version was rolled out two years later.) The concept is that a dog's diet should be adjusted according to its position in the life cycle. So there were four Cycle products: Cycle 1, "specially balanced for puppies up to 18 months of age"; Cycle 2 for adult dogs 1 to 7 years old; Cycle 3 for less active (read: overweight) dogs, and Cycle 4 for older dogs (more than 7 years old).

The original Cycle canned line that was taken national had two varieties, beef and chicken, so for the concept to be fully expressed on the shelf, a store had to stock a minimum of eight items. Two facings on each meant 16 items, and so on. And, obviously, if one of the items (or Cycles) was taken off the shelf because of slow movement, the whole concept started to unravel. We'll come back to that.

The canned Cycle product is a formed product, common in the dog food packing industry; it's meant to convey the impression of a meatball, such as humans might eat, say, on spaghetti. These balls are packed in a gravy-like sauce, and through time such products have been promoted as "the dog food that doesn't look like dog food."

It should be noted that, historically, other packers who have gone the meatball route have had, at best, lackluster success in the marketplace, and many died aborning. It's a long list, but here are a couple of prominent examples: The original Skippy Premium line from National Pet Food and—ironically—Gaines Supreme, a GF brand test marketed before Cycle. Neither Alpo nor Kal Kan, the leading brands in the canned dog food market, carries a meatball item in its extensive line. The reason: Slow movement.

And, finally, Cycle canned from the beginning was priced significantly higher than Alpo's Beef Chunks, the leading premium-priced canned item, then and now.

One of the main characters in Cycle's passion play is a 150,000-sq.-ft. canned dog food plant GF started to build in Topeka in November, 1971. The new facility adjoined a plant it had built there two years earlier on a 110-acre plot to produce dry dog food.

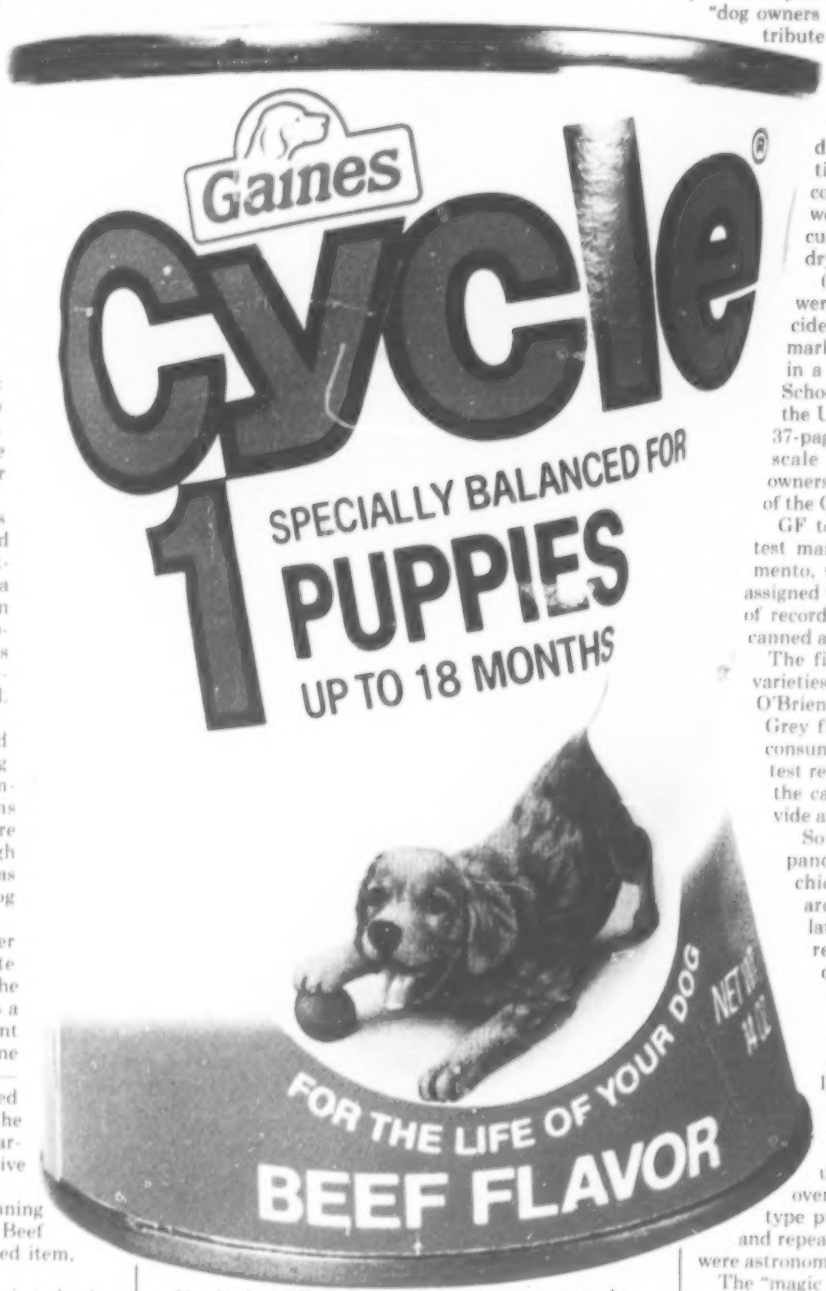
This can plant, which was put into operation in line May, 1973, was a classic example of putting the cart before the horse. At the time the Topeka investment was authorized—circa summer, 1971—GF's pet foods division did not have a proven canned product for the plant to produce.

What it had instead was a product concept in test and, in retrospect, a lot of wishful thinking.

Jack J. Honomichl writes a monthly marketing research column in the news pages of ADVERTISING AGE.

The original hope was a meatball line called Gaines Supreme, which GF put into test market in Buffalo and Albany, N.Y., in March, 1970, with Ogilvy & Mather as the agency. Gaines, of course, is an old and esteemed name in the dog food world. GF attained it through the acquisition in 1943 of a regional dry packer in Sherburne, N.Y., and GF still markets a line of dry products under the Gaines name (which, incidentally, will surface again later in our story).

Gaines Supreme didn't do well in the Buffalo and Albany test, so two years later two new test markets—Miami and Denver—were opened.



No doubt, GF had grandiose plans for Gaines Supreme. At first, the company used Arlene Francis as product spokesperson, but later (AA, Dec. 24, 1973), it reportedly cut a deal with singer/actress Doris Day, "a well known dog fancier," that called for $1 million over five years to tout Gaines Supreme.

There was a hangup, however: Gaines Supreme died in test market (with less than 5% share of canned pounds), and that left a big capital investment in the foothills of eastern Kansas gathering dust.

But, across the plains of Kansas and the Plains—White Plains, that is—in Westchester County, N.Y., another concept came barking: Cycle, "every day, for the life of your dog."

The name and concept originated with a small advertising agency, John Rockwell & Associates, which was brought into GF and its White Plains headquarters by William E. Rawlings, president of the pet foods division from 1971 to January, 1974, at which time he left after a much publicized wrangle with James L. Ferguson, the president of GF. Mr. Rawlings reportedly was pushing for a faster expansion of GF's pet food business and believed top management was sluggish in approving new moves.

Mr. Rockwell, who had been executive vp of Needham, Harper & Steers before setting up his own shop, specialized in new products. He was on retainer to GF from October, 1969, to April, 1971.

The Cycle concept, according to research, showed that "dog owners are highly anthropomorphic—quick to attribute human traits to their pets—and would respond to a canned line that delivered nutrition specially formulated to the dog's age and 'life style.'" If it succeeded, it would be a good market segmentation and differentiate the Cycle brand from competition—and it was something agency creatives could really get their teeth into. Mr. Rockwell told me he envisioned the concept executed in all three forms of dog food—canned, dry and semi-moist.

(The deliberations GF marketing people were going through in early 1970 trying to decide how best to approach the canned dog food market are documented, apparently factually, in a case study used at the Harvard Business School and the Wharton School of Business at the University of Pennsylvania. Included in the 37-page manuscript are the findings of a large-scale GF market segmentation study of dog owners, which sets the framework for execution of the Cycle concept.)

GF took its first version of Cycle canned into test market in Grand Rapids, Mich., and Sacramento, Cal., in early 1973, and the product was assigned to Grey Advertising, which was the agency of record until this year, when the account (both canned and dry) was moved to Benton & Bowles.

The first test had four Cycle products but no varieties. "That's what we learned," says Richard O'Brien, who was the Cycle account executive at Grey from the beginning. "You have to give the consumer flavor variety." They also learned that test results projected out to about 4.5% share of the canned market, not enough volume to provide a reasonable payout on the brand.

So it was back to the drawing board. An expanded Cycle line—this time with beef and chicken varieties—was put into a new test area—Syracuse, N.Y.—in April, 1974, and later that year it was expanded to a GF sales region that encompassed Boston; Providence, R.I.; Hartford, Conn., and Portland, Me. There it sat until April, 1976, when the national rollout started.

I've been told by a GF executive who was deeply involved that between $2 million and $3 million was spent on marketing research alone in those markets. One reason was the length of the test, and another was the low incidence of target populations—households with puppies, with overweight dogs, etc. Since continuous, diary-type purchase panels were set up to track trial and repeat purchase rates, the screening costs alone were astronomical.

The "magic number" several GF executives have told me was 6%; that was the share of canned pound market that seemed necessary to jell the payout plan on Cycle. I've been told that the Syracuse test did project out to a 6% national share. I have also seen data that suggest that in the larger New England region, Cycle got only about a 4.7% share in the first year. Also, the pet foods division's market research department believed that test results were "minimally acceptable." The department thought that the brand, in national distribution, would achieve only about 50% of the volume anticipated.

The marketing research department's conclusion: "Don't go national." ("I doubt that," one former GF pet foods executive told me. "The system would have flagged such a recommendation from the market research department, and I didn't know about it.")

Trial in New England seemed good—about 40% of

Five magazines that have stepped up their political affairs coverage

	Frequency	Rate base	Ad revenues/1st 6 months 1982	1981	Ad pages/ 1st 6 months 1982	1981	B/W page rate	4/C page rate
Atlantic	Monthly	360,000*	$1,040,629	$940,932	163	161	$6,720*	$10,080*
Esquire	Monthly	650,000	4,970,000	2,686,500	327	199	11,600	17,400
Harper's	Monthly	140,000	694,365	878,945	103	135	2,830	4,320
N.Y. Times Magazine	Weekly	1,524,833	25,307,662**	23,006,966	1,964	2,059	13,670	20,990
Rolling Stone	Biweekly	775,000*	7,809,292	6,232,097	564	513	12,870*	19,190*

SOURCE: Advertising Age Survey

*Effective with September, 1982 issue
**Estimated

pointed out that ad pages have grown dramatically, from 508 last year to an estimated 725 for 1982. For the first six months, ad pages are up by 64%. "Advertisers are happy to see a magazine that does exciting stories," Mr. Greenberg said.

Rolling Stone, too, is having one of its best years ever, with ad pages up by 10% and revenues up by 33%. That comes on top of a 1981 page increase of 11% and revenue increase of 30%. Much of that can be attributed to a switch to a higher quality paper stock in January, 1981, which succeeded in bringing in 50 additional advertisers, according to William S. David, vp and advertising director. Mr. McDonell, the managing editor, believes that Mr. Greider and other writers will make *Rolling Stone* an even more attractive advertising vehicle. "I would think that advertisers that did not think about us as an obvious buy are going to very soon," he predicted.

Advertisers have thought of the *New York Times Magazine* as an obvious buy for years, although the magazine is expected to be down this year by more than 80 ad pages from last year's figure. But the drop comes upon impressive numbers, nevertheless. In 1981, the magazine produced the industry's second largest number of ad pages—4,512—and revenues for the first six months of this year are up by $2.3 million over the same period in 1981.

Yet there is no doubt that the economy is affecting the magazine. "This is a very, very tough year out there," said marketing director Philip Du Val. During the last six weeks, several new ad schedules, including one for 20 pages, have come in, and Mr. Du Val is hopeful that the magazine may be able to recoup in the second half. He believes that the magazine's recent political coverage has helped a great deal.

According to "Hall's Editorial Reports," which measures the editorial content in the nation's top weekly magazines, the *New York Times Magazine's* coverage of national and foreign affairs has increased from 20% of total editorial in 1979 to 25% in 1981. "It makes the magazine more lively, more current, more interesting and more visible," said Mr. Du Val.

Not to be left out, the Washington Post Co. intends to launch a new weekly magazine in the fall. So far two prototypes of *Washington Post National Weekly Edition* have been distributed in selected areas of the country. Apparently, the readers who evaluated the first prototype wanted a larger dose of politics than the first issue included. "The second prototype is even more focused on Washington government and political events," said a Post Co. source.

One Post official involved in planning the magazine is not concerned about competition: "No one can touch us in terms of the national political scene, the access we have because of who we are. There is an intense interest among readers outside of Washington for the kind of coverage done by the *Washington Post*, but it has been difficult reaching those people.

"You can order the *Washington Post* by mail and it comes four days late and it's enormous and you don't want to read all of it," he said. The *Post* does syndicate a good percentage of its editorial product, but the official said that many of the local papers do not have the space or a large enough audience to justify the longer stories.

The tabloid-size magazine will run articles that have already run in the *Washington Post*. Included in the prototypes were image and corporate advocacy advertisements, those for upscale consumer products and several direct response ads. Ad rates have not been set, and plans call for circulation to be highly targeted. "We're looking at a small but select group of readers to make this a viable business," said another Post Co. source.

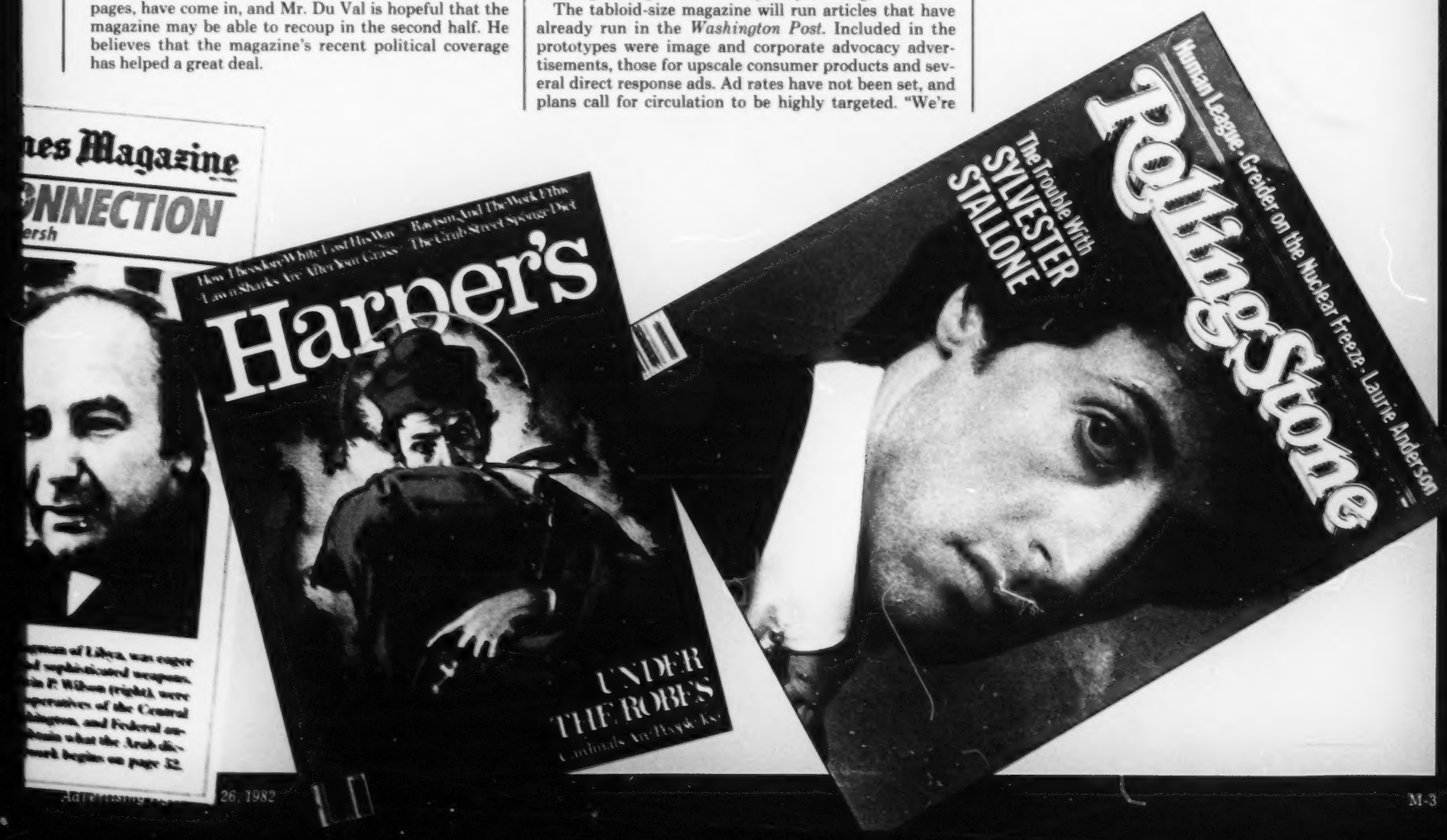
Indeed, the audiences of these politically oriented magazines are small, a veritable drop in the bucket compared with the millions that tune in CBS every night to watch Dan Rather read the evening news. Still, each magazine believes it is the quality of readership, not quantity, that attracts advertisers. Christine M. Rothenberg, corporate advertising manager at Hartford, Conn.-based United Technologies, agreed.

"We like to be in publications that are read by thinking people who are aware of the issues facing the country and the world," she said. "These people are often influential, well educated, opinion leaders." United Technologies runs corporate advocacy ads dealing with a variety of economic and social issues in both *Atlantic* and *Harper's*. The corporation also runs corporate image ads in the *New York Times Magazine*.

At Ford Motor Co., a sizable proportion of the company's ad budget is devoted to magazines, including these political publications, according to Robert Gillooly, national advertising manager. "The average income of new car buyers has gone up considerably," he said. "To be able to afford a car at all you have to have more money and be somewhat upscale. We're confident that these magazines do the job. We're aware of the kind of people who read them."

The editors know their audiences, too, and recognize

(Continued on Page M-6)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NNECTION
ersh
Harper's
How I Became White and Lost His Way
Law n Sharks Are After Your Grass
The Grub Street Spring Diet
UNDER THE ROBES
Rolling Stone
Human League · Greider on the Nuclear Freeze · Laurie Anderson
The Trouble With SYLVESTER STALLONE

Playing politics

(Continued from Page M-3)

they want more than they get from daily newspapers or tv news. That helps to account for the manner in which most of these publications approach the task of covering politics. There is little—if any—interest in who is running for office.

"How can you work up much enthusiasm for whether Carter or Reagan is President when you haven't answered the larger question of what we should be doing in social welfare, foreign affairs and all these different areas?" noted *Harper's* Mr. Kinsley. "Where is this country going? Where ought it to go?"

The majority of the articles strive to analyze those larger questions. Many of the pieces are retrospective in nature, assessing how past leaders handled their powers and responsibilities. The stories can be hard-hitting. One sample from Seymour Hersh's piece on Kissinger: "More and more subservient, even fawning, to his patron [Nixon], Kissinger was increasingly vicious and outspoken outside the Oval Office. The backbiting grew intense by the end of the year. Secretary of State [William] Rogers was a 'fag' who had some strange hold over the President; Mel Laird was a megalomaniac who constantly leaked anti-Kissinger stories to the press, and Richard Nixon was a secret drunk of dubious intelligence."

Or this selection from Mr. Greider's first column in *Rolling Stone* on the budget cuts: "Last month when the latest unemployment numbers were announced, the President was on the South Lawn, dressed in that ridiculous riding outfit that makes him look like a Hollywood director from the 1920s. Reporters asked how he felt about 9.4% unemployment; the Gipper said he felt bad. He blamed the Democrats. Then, with a wave and a smile, he went horseback riding."

The magazines are not afraid to ruffle the feathers of special interest groups. A case in point is *Harper's* May cover story on the immigration of Soviet Jews. "The aspirations of the Jews now leaving Russia, natural and commendable though they may be, have little to do with any desire to embrace the Jewish religion and cultural heritage, even though this is ostensibly why we let them into the U.S.," wrote author Joseph Nocera.

Such stories often provoke angry letters to the editors. The magazines love such response, viewing it as definite proof that they are sparking a lively debate, getting people thinking, having influence—in short, doing their jobs.

Virtually every magazine has examined the threat of nuclear war, sensing the enormous public interest, underlined most recently by the march in New York attended by more than 500,000 people. *Esquire* claims to have been first with its March, 1982, cover story, titled, "If You Survive the Coming Nuclear War . . . Don't Worry, Our Leaders Have a Swell Plan." The report, by Ed Zuckerman, who is writing a book on nuclear war preparedness, received a good deal of publicity in other newspapers and magazines. The article dealt in a straightforward manner with the observation that 61 million Americans could be expected to survive a nuclear war and be faced with the task of rebuilding the country. But the piece ended on a pessimistic note, quoting the head of security at the National Archives, who would be in charge of safeguarding the Declaration of Independence, the Constitution and the Bill of Rights, in the event of a nuclear attack. "As for me," the security official was quoted as saying, "I hope the first bomb falls right on my head, because I wouldn't want to be around anymore."

The nuclear freeze was the topic of Mr. Greider's second Rolling Stone column, and he laid out what the movement must do to succeed and even included a list of organizations that readers could contact to get involved in the protest. Such advocacy journalism is typical of *Rolling Stone*'s style, and apparently was one reason Mr. Greider was so eager to sign on. "The people who read *Rolling Stone* are still forming their ideas about a lot of political issues, whereas the audience of the *Washington Post*, to a greater extent, already has its mind made up," Mr. Greider observed.

Harper's ignited a debate on Jonathan Schell's book, "The Fate of the Earth," which advocates complete disarmament. Mr. Schell's thesis had been widely accepted in some corners as the wisest course, but a column in *Harper's* dismissed Mr. Schell's ideas as both naive and pretentious. "The basic balance of terror cannot be dismantled without perfect trust between the world's greatest enemies—an unlikely development," wrote Mr. Kinsley. Mr. Kinsley's column was cited in *Time*'s May 3 press section, titled "Second Thoughts on Schell."

That was not the first time that a *Harper's* article sparked discussion in another publication. The magazine's June cover story, "Cardinals are people too," which detailed the political influence such clergy wield in their communities, brought a fiery blast from Catholic New York. Father John Reedy, a columnist with the newspaper, called the piece "a shoddy, cheap shot."

If anyone is keeping score, the record for newsclips and tv appearances at this point probably belongs to *Atlantic*. The December, 1981, cover on David Stockman appeared on national television 40 times in five weeks, according to Mr. Zuckerman. And so far the magazine has collected 2,000 newspaper and magazine clippings on Mr. Hersh's Kissinger piece, in addition to mentions on most national news programs. "Incredible media attention has been given to *Atlantic*," Mr Zuckerman said.

In fact, Mr. Zuckerman would like to believe that *Atlantic* is responsible for much of the current rush to cover politics. *Rolling Stone*'s Mr. McDonell, while admitting that he too is constantly looking for that big important piece, derides Atlantic's penchant for spending large sums on book excerpts, like the Hersh piece. "We're not talking about enterprise editing at the *Atlantic*," said Mr. McDonell. "We're talking about buying the most expensive stuff around."

Harper's Mr. Kinsley agreed. "Buying a chunk of something that someone else has edited, someone else has commissioned, someone else has worked on for years is not as creative as producing or generating something yourself," he said. "I'm not after scoops because I think it's a better function of a magazine to have these articles that influence real policy questions."

In some ways, *Harper's*, *Atlantic*, *Esquire* and *Rolling Stone* have a serious disadvantage competing with the huge resources of the *New York Times*, and soon, the *Washington Post*. Mr. Klein, the editor of the *New York Times Magazine*, said one-half of the magazine's pieces are staff-written, and with a news staff of more than 900, that is power. "If something is happening in a remote part of the world, it is very likely that there will be a *Times* person there," said Mr. Klein.

Even though the *New York Times Magazine* pays only $1,500 for free lance articles, compared with $2,500 at *Rolling Stone* and *Esquire*, the prestige of being in the *Times* still lures the big names.

The magazine received a jolt recently, however, when it discovered that its Dec. 20, 1981, cover story, "In the Land of the Khmer Rouge," by Christopher Jones, had been fabricated. "All of us in journalism have to be a hell of a lot more rigorous in the way we go about doing our business, especially in the way we choose the people we assign and check the material that comes in," said Mr. Klein. As a result of the incident, the magazine has instituted safeguards. Mr. Klein said that authors who have never worked for the magazine before are required to submit newsclips of their work. The magazine also may check with the writer's current or previous employer. In certain cases, if magazine officials believe it is warranted, the writer may be asked to produce his or her original notes and tapes.

Still Mr. Klein believes that his magazine has done some outstanding political stories recently. Those he cited included: "The New Asian Immigrants," by Robert Lindsay; "The Neo-conservative Anguish over Reagan Foreign Policy," by Norman Podheretz; "The Failed Mission," on the attempt to rescue the Iranian hostages, by Zbigniew Brzezinski, and "Thinking About Nuclear Morality," by Herman Kahn.

Faced with such competition, Mr Zuckerman does not apologize for *Atlantic*'s policy of bringing in top stories regardless of the cost. "We will be competitive with any magazine to bring in these pieces, because we believe that's what the reader wants editorially," he said.

To those who wonder what *Atlantic* will do next to top the Stockman and Kissinger covers, Mr. Zuckerman has an answer. "The 125th anniversary issue [November] will contain some of the best pieces by some of the best writers in the world today on some extraordinary subject that I guarantee will get a lot of attention," he said. There also will be more revelations on Lyndon Johnson by Robert Caro (one excerpt from Mr. Caro's book ran in last October's *Atlantic*). "We have other pieces scheduled for next year that will continue to make it clear that this is the leading magazine in public affairs in this country," Mr. Zuckerman said.

At *Rolling Stone*, Mr. McDonell said readers can soon read the definitive piece on the Weather Underground. "That's going to shock some people," he said. Future columns by Mr. Greider will look at labor, the Equal Rights Amendment and the Catholic church. *Rolling Stone* also is planning a retrospective piece on President Kennedy, and another on the Vietnam War.

Mr. Moffitt said *Esquire* will be monitoring the environment in its outdoors column. "In the 1970s we had worked out a certain environmental value that was set into law, so a radical change always creates a great deal of interest—and there has been a radical change," he said. In addition, Adam Smith (the pen name of George Jerome Goodman) will continue to cover money issues, while Jerold Schecter will begin to write and assign stories from Washington.

Despite this renewed effort to cover politics, veteran Washington watchers remain unfazed. They have seen it all before. "If you go back in history, there's always a David Stockman, there's always an issue like the budget, there's always something going on," said Richard Scammon, head of the Elections Research Center, who has been a political observer for more than 40 years. "Anything that's really dramatic still gets maximum time, like Watergate, or if you go all the way back to the Roosevelt regime, the court packing plan of the late 1930s." Speaking with some of the authority of his years polling the American public, Mr. Scammon noted, "Again and again in politics, it is the actual event that influences people, rather than the interpretation of it."

These magazines are betting against those odds, and each has a lot riding on the outcome. Perhaps the biggest challenge is faced by the Washington Post Co., which has been on a losing streak lately with new magazines. It was forced to sell its money-losing *Inside Sports*. Another magazine, *Focus*, a single-topic monthly, never got off the ground. But Post officials no doubt hope that a magazine on the Washington political scene, which the *Washington Post* regards as its turf, has a better chance of succeeding.

It will not all be smooth sailing for the other magazines, either. *Atlantic* and *Esquire* need to keep up their momentum so that they can get into the black and stay there. *Harper's* must become self-supporting so as not to dip into foundation savings. *Rolling Stone*, which has seen many of its record advertisers drop out ("The record industry is suffering," Mr. McDonell noted), should continue to add new accounts, particularly in the area of motion pictures and the electronic media.

"This is not a terrific year for magazine advertising in general," observed Joseph Ostrow, executive vp and director of communications services at Young & Rubicam. "Some of these magazines tend to be low on the advertiser's list, and if that list gets pared down, they get chopped off."

The editors believe, however, that the public's interest in political issues is more than just a passing fancy. They believe that concerned citizens have more questions than are being answered by the daily press or tv news. As long as that continues, these editors say, readers will look to their magazines to provide that insight. "There's an awful lot going on beneath the surface that may be mentioned in the papers, but not examined very deeply," observed Mr. Greider. "There are a million opportunities for that kind of reporting. I think it's going to be very exciting." AA

The Washington Post

Congressional Perks: Dubbing Rostenkowski On The Hill's Hob/P.7

William French Smith: Angry and Confused, He Toughs It Out/P.24

Post's prototype

With a cover date of June 11, 1982, the *Washington Post National Weekly Edition* introduced itself in prototype form.

The editorial content of the 48-page issue focused heavily on national and world affairs and on politics, with most of the articles reprinted from the *Washington Post*. Included were a major cover feature on golf junkets taken by U.S. Rep. Daniel Rostenkowski (D.-Ill.); a report on the spring primary elections, and articles on the Middle East, unemployment, the Haig-Kirkpatrick dispute, President Reagan's slipping popularity, stripmining and the tribulations of Atty. Gen. William F. Smith.

A sampling of advertising in the prototype, printed on heavy-grade newsprint, included full pages for BMW, Sperry, Exxon and GTE; partial pages for Brooks Brothers and J&B scotch, and almost two pages of classifieds.

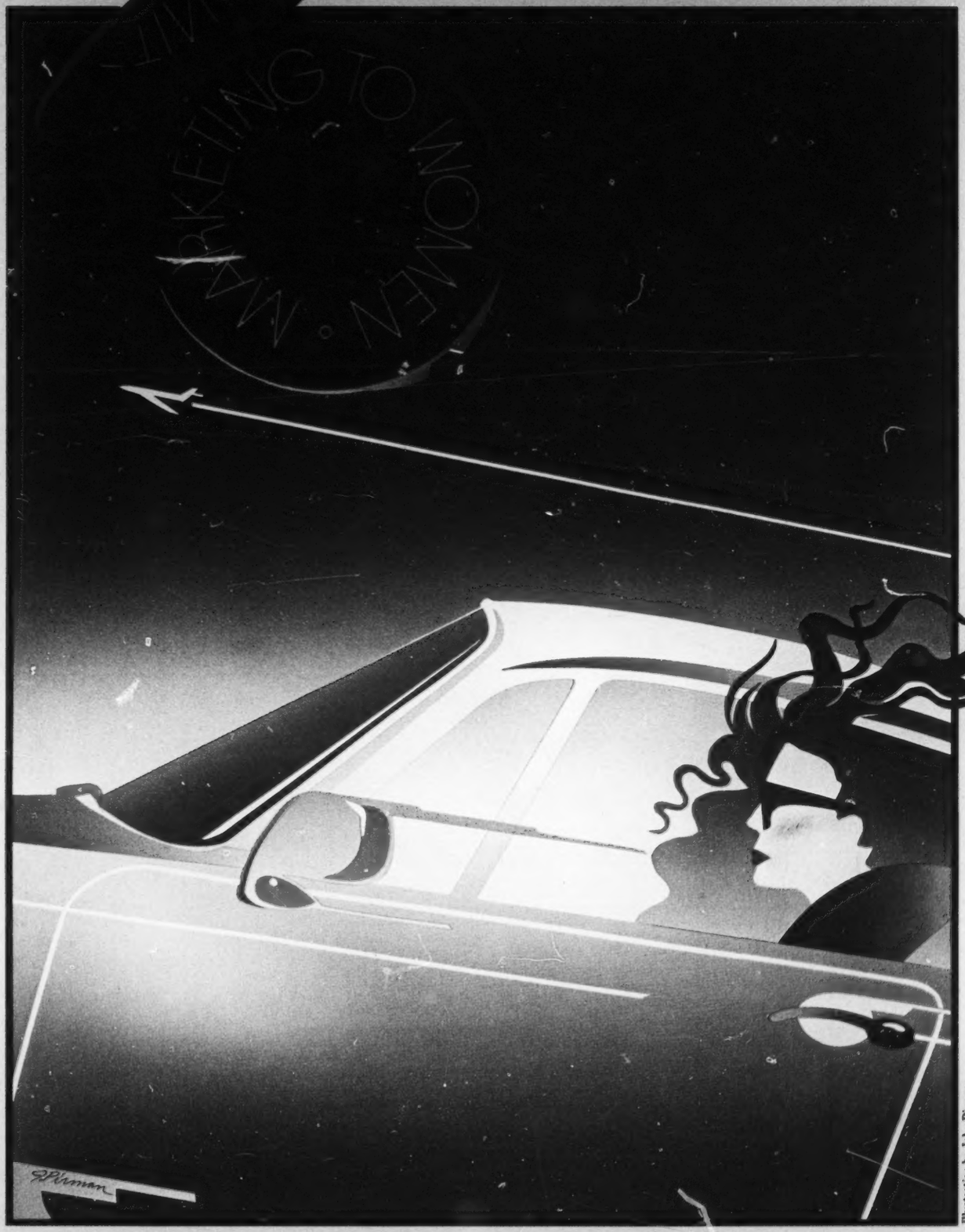


Illustration by John Pirman

Behind the wheel of a quiet revolution

By Lori Kesler

"We all know young women who are planning careers, women who are postponing parenthood, women who are independent, who are running their lives and their families with competence. Perhaps we know women who are running companies. These may seem like small changes because we have become familiar with them, in the way a parent observes the growth of a child. Our close vantage point has allowed change to creep up on us in a most disarming way.

"We are living every day with the elements that will turn our world upside-down. We are those elements."

—Elizabeth Nickles, "The Coming Matriarchy: How Women Will Gain the Balance of Power"

Lori Kesler is a St. Louis-based business writer and a frequent contributor to Magazine/Special Report.

It may not seem like a revolution to you.

But sociologists, economists and media observers are telling us to watch closely, because we've got front-row seats for one of the great socioeconomic happenings of the century.

During the last 20 years, women have rushed into the labor market in unprecedented numbers, with the movement reaching high gear during the 1970s.

That decade started with about 31 million women, or 43% of all U.S. women 16 and older, in the labor force. By the end of the decade, 43 million working women accounted for 60% of the growth of the entire U.S. labor force.

And the tide continues to rise. Last year nearly 47 million women took home paychecks, which means they now constitute about 43% of the nation's work force.

Government statistics tell us 52% of all American women are working right now. That number doesn't really tell the whole story. For example, employment

(Continued on Page M-12)

Working women

(Continued from Page M-11)

among women 18 to 45 is well above 60%, and in the 20-to-24-year-old age group, the figure is nearly 70%.

"When I began looking at the numbers in 1972, it was absolutely mind-boggling to discover that, even then, almost as many women in the active age groups worked as kept house," said Rena Bartos, senior vp and director of communications at J. Walter Thompson USA in New York.

When "school girls and grandmothers" were dropped from the figures, she said, the ratio of working to nonworking women in 1972 was about 50/50 and now has climbed to about 60/40. In fact, the U.S. Bureau of Labor Statistics says only 37% of all women today are fulltime homemakers.

Woman are migrating to the workplace with such speed that the consequences won't be fully known for a long time to come. But to Ms. Bartos, one thing

"They always used to be someone's wife or someone's mother. This is not their only identity anymore. Women want to be someone in their own right."

seems indisputable: Women—including even those who aren't working—think about themselves differently than they once did.

"I call it the seeking of individual status as compared to derived status," she said. "This doesn't mean they don't love their husbands and families. They are not rejecting the emotional side of life; they are just not letting emotional or personal relations define them as people.

"They always used to be known as somebody's wife or somebody's mother. This is not their only identity anymore. Women want to be someone in their own right. For some this takes the form of working, but it doesn't have to. Being a full person—that move away from the derived status—is the attitude change. And on that issue there's no turning around."

Ms. Bartos, whose book, "The Moving Target: What Every Marketer Should Know About Women," was recently released, continued: "Someone said, rather inelegantly, that once you squeeze the toothpaste out of the tube, it can't be put back. That describes what has happened with women's self-perceptions and aspirations."

The idea that a woman's place is in the home was a fairly widely accepted notion until the last decade or so, noted Elizabeth Nickles, senior vp of D'Arcy-MacManus & Masius, Chicago. In 1967, 60% of women agreed with that statement, but by 1977, that percentage had dropped to 25%.

Wives and mothers of children under 18—once the steadfast keepers of home and hearth—currently are the ones leading the march into the workplace. The number of working wives has tripled during the last few decades and the Labor Department recently reported that more than half of the nation's children have mothers who work away from home.

It said 58% of all mothers with children under 18 had jobs in 1981 compared to 28% in 1950 and only 9% in 1940. And the participation of married women in the work force with children under six advanced from 30% in 1970 to 48% last year.

Government officials expect another 11 million to 14 million women to go to work during this decade, and some observers predict by 1990 the work force will be 46% female, with two out of three women employed.

Others are skeptical, said Ms. Bartos. "Scarcely a day goes by that I don't hear someone explaining that the biological clock will move all those young female careerists of the baby boom generation back into the home." But she insists it's not going to happen, and most experts agree.

One reason simply may be those attitude changes. "Regardless of any other consideration, young women expect to work," said Martin Letscher, marketing research manager at Racine Wis.-based S.C. Johnson & Son. And he said well educated women tend to approach their careers in the same way men do.

"For them, work is part of life. It gives them self-satisfaction," he said. "They expect to have other obligations, but work is very important and other things just have to battle with work for priority."

Experts say role models, too, will affect women's employment patterns as working mothers raise daughters who will follow in their footsteps.

Another reason women aren't likely to retreat to the kitchen is the close correlation between education and women's presence in the work force.

Studies show the more education a woman has, the more likely she is to go to work. And women today are entering colleges, graduate schools and MBA programs in unprecedented numbers.

In 1960 women received one-third of all bachelor's degrees; in 1980 it was nearly 50%. According to Mr. Letscher, 54% of current undergraduates are women; this figure includes many older women who are returning to college. Fully one-third of all business students are female. The percentage of female engineering graduates has gone up from 1% in 1970 to 10% in 1981.

Perhaps the most compelling reason for women to keep working, however, will be sheer economic necessity. One out of every six families today is headed by a female. The divorce rate has soared and many women are marrying later or not at all. So for those who must support themselves or their families, a job is an unquestioned necessity.

When asked why they work, most women say it's primarily for the money. Such questions, however, touch a tender nerve. Said Judith Langer, head of Judith Langer Associates, a New York-based opinion research company, "Of course women work for money. Don't men? They want the money as compensation and reward, if not simply for survival, but this doesn't mean they are working *only* for money."

In reality, both money and self-esteem usually are at stake. "The yearning for an identity beyond their traditional family roles is so deeply intertwined with economic motivations, they can't be separated," said Ms. Bartos. "Gaining a sense of self is a fundamental part of all of it."

Is the working woman, then, different from the nonworking woman? Absolutely, says Ms. Nickles. She and market researcher Laurie Ashcraft drew that conclusion in their book, "The Coming Matriarchy," after studying the opinions of 2,400 women nationwide.

"There is a statistically definable difference between women who work outside the home and those who do not," declared Ms.

A whole new industry seems to be springing up to take advantage of women's new roles and responsibilities, and disposable incomes.

Nickles. "Employed women are more self-confident and ambitious. They feel more attractive physically. They actively seek the limelight to a far greater degree." And, she added, as a woman's income goes up, "these characteristics increase proportionately."

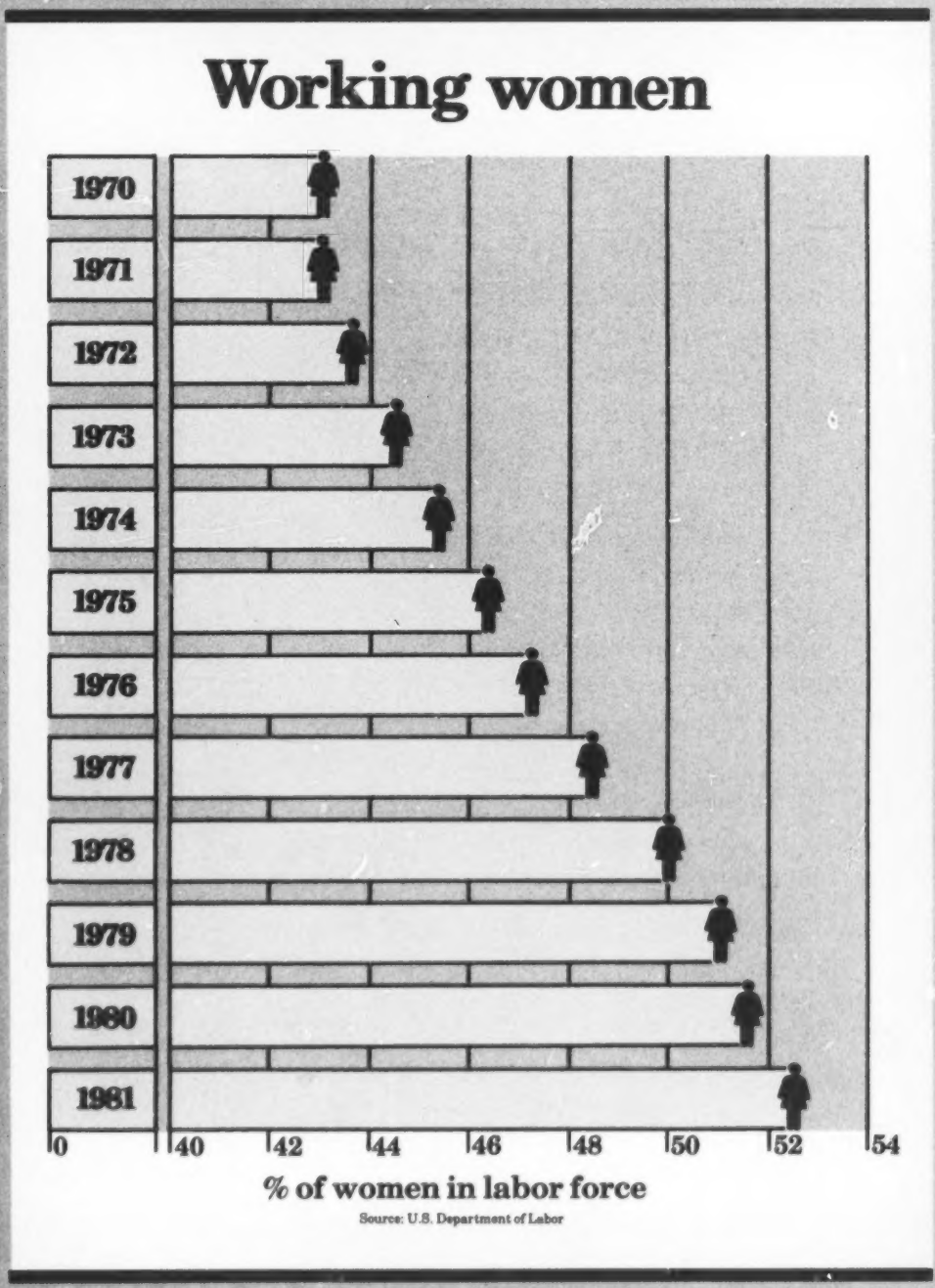
Working women's greater assertiveness shows up in their responses to products, too, said Mr. Letscher.

If a product isn't performing satisfactorily, he said, the working woman assumes it's the product's fault. The nonworking woman, on the other hand, is more likely to assume she isn't using it correctly.

Demographic studies find working women, on the whole, are younger, more affluent and better educated than their stay-at-home sisters. They also watch tv less, travel more, read more magazines and newspapers and listen to the radio more often.

However, some observers warn against applying the "working" and "nonworking" labels too broadly.

"Advertisers often are content to address the women's market in terms of those two groups," said Linda Robinson Rutz, vp-account service with Lincoln, Neb.-based advertising, marketing and public relations agency Miller Friendt Ludemann. Ms. Rutz, who is in the process of earning a graduate degree in journalism from the University of Nebraska, recently completed



a research study on how women perceive advertising directed to them.

Most women, she says, do not fit into a working or a nonworking category.

For example, many women who stay at home with their young children shouldn't be classified as nonworking. "They are temporarily interrupting their careers," she said. In fact most women see their lives as a combination of work roles with movement in and out of different roles at different times, said Ms. Rutz.

The Yankelovich Monitor, a tracking study of consumer values that New York-based Yankelovich, Skelly & White publishes annually, began asking working women back in 1971 whether they thought of their work as "just a job" or a "career." That distinction has since become recognized as one way of further segmenting the working woman's market. Yankelovich also began asking housewives if they ever planned to work, a question designed to segment the housewives group.

Ms. Bartos based her recent studies on those four demographic groups—the stay-at-home housewife, the plan-to-work housewife, the "just-a-job" working woman and the career-oriented working woman.

As might be expected, her research indicated that the plan-to-work housewives have a great deal in common with the working women, but each group has its own distinctive set of characteristics.

All of which poses problems for marketers trying to zero in on the *real* Ms. America. Is she the woman trudging through the grocery store with three kids and a fistful of coupons? The middle-aged lady behind the cash register? Or the young female executive in the red sports convertible?

In truth, she is all of these, and that makes life difficult for marketers accustomed to thinking of the women's market as housewives, 18 to 49. Indeed, while women's attitudes have changed dramatically during the last decade, advertising has lagged.

Advertisers took a bad rap from the Commission on the Status of Women at the United Nations in the early 1970s. They looked at advertising from 28 countries and concluded that women almost always were portrayed either as dependent housewives or passive glamor girls.

In 1975, the National Advertising Review Board reported almost the same thing. "In the advertising of household products," it said, "women too often are portrayed as stupid—too dumb to cope with familiar everyday chores unless instructed by children or a man, or assisted by a supernatural male symbol."

However, even during the early 1970s, change was creeping in. Commercials started to show women in new roles, such as jockeys, pilots and newscasters. Admittedly, the female with an unusual occupation was usually stuck into advertising for that surprise twist. Still, it was a beginning.

"It wasn't the kind of fundamental change that might have happened if advertisers had taken the changing role of women seriously and built it into their marketing procedures," Ms. Bartos said in "The Moving Target." But she added that creative people were responding intuitively to a changing atmosphere and apparently their hunches worked.

In testing women's attitudes toward advertising, Ms. Bartos found that virtually all groups—housewives as well as working women—responded most positively to contemporary commercials and contemporary imagery and most negatively to traditional ones.

And things are changing.

In a Stouffer's commercial, for example, a professional-looking woman in an office tells us she won't have to cook that evening, thanks to the sponsor's product. And now men are even showing up in tv commercials, washing dishes and diapering babies. A Campbell Soup Co. spot shows a young husband in the kitchen preparing dinner for his working wife. "This type of advertising would not have been dreamed of 10 years ago," Ms. Bartos said.

Marketers of automobiles, financial services and life insurance have discovered the working woman, too, and they're beginning to produce commercials for her attention.

Ms. Bartos blames "lazy" ad people for creating the old (and some new) stereotypes. "Once they identify their target group, they tend always to show a prototype of that person in commercials," she said. "That's just creating a cliche."

Advertising, however, almost always lags behind trends in the real world, said Ms. Langer. Conventional advertising often seems to show women as lazy. It has taken a long time for advertisers to realize that they're dealing with people who are trying to achieve a lot, who want products that will save them time.

Yet Ms. Langer, too, notes change. Commercials for household cleaners, for example, are just now beginning to show people who say right off that they hate to clean. "I've been hearing women say that for five years without any trace of embarrassment at all," she said.

A whole new industry seems to be sprouting up to take advantage of women's new roles and responsibilities—and disposable incomes. Ms. Bartos calls it "the woman industry."

Magazines targeted to the working woman have found a secure niche on the newsstands. In addition, there are the "head hunters" and personnel experts who specialize in placing executive women.

There are also the career counselors who help women "track their way through the corporate jungle," said Ms. Bartos, and of course the seminars, training programs, financial courses, classes to develop "reentry skills" and how-to books by the dozens.

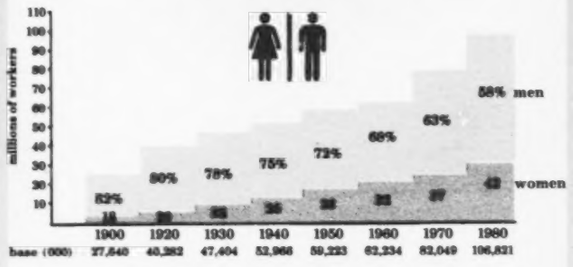
"Many of these programs are extremely productive," Ms. Bartos said.

She does add that "frankly, some of them strike me as somewhat exploitative." But the fact that some sharp promoters have joined the pack actually may be a good omen.

"Such people don't cling to unprofitable or lost causes," she said. "Ironically, the very presence of these opportunists is evidence of the inevitability of the quiet revolution." ■

Growing in the work force

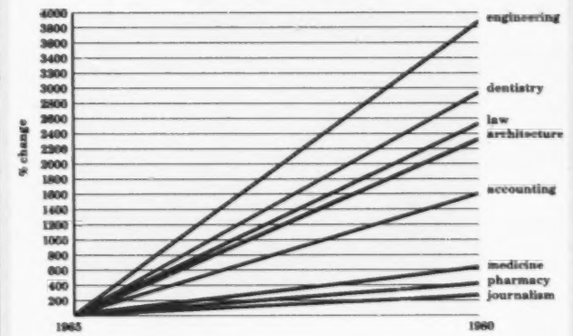
Working men and women
% change, 1900-1980



Source: U.S. Census Bureau, Bureau of Labor Statistics, Rena Bartos, "The Moving Target."

Branching out

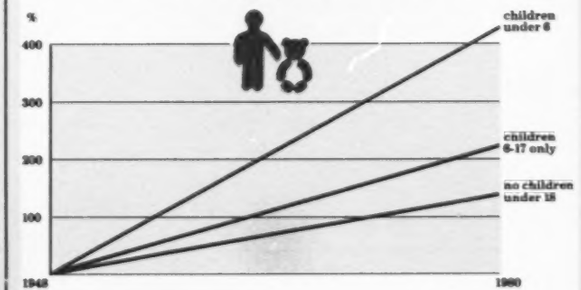
Degrees earned in selected fields
% change, 1965-1980



Sources: Digest of Educational Statistics, National Center for Educational Statistics, Rena Bartos, "The Moving Target."

Leading double lives

Number of working wives by presence and age of children
% change, 1948-1980



Sources: Employment and Training Report to the President 1978, Current Population Reports, 1980, Rena Bartos, "The Moving Target."

Change in one area tends to reinforce change in another. The charts indicate the increased percentage of working women, women who work who have small children and women who are going after traditionally male degrees.

An informal poll

More traditionally male products are being marketed to women; more convenience products are being advertised; and older women are showing up in commercials.

These were some of the responses that female advertising executives gave to questions Advertising Age Magazine asked in a poll on how advertising geared to women is changing.

Although the responses differed on some points, on one there was almost total agreement: There is a growing percentage of advertising targeted to the working woman. Also, according to Joan Rothberg, executive vp-general manager of Ted Bates Advertising/New York, "formerly male-oriented products—cars, travel, banks and brokers—now also target to women."

Magazine also queried the female executives whether they thought that there was a change in the products themselves being advertised.

"Yes," they said. More convenience foods, more frozen foods and more high ticket items such as liquor, cars and jewelry are showing up in advertising.

To the question, "If you do not see advertising to women changing, why not?" Jackie Silver, senior vp-director of research and strategic planning with N H & S/New York, answered, "Marketing management is primarily over 40 and out of touch. They have stereotypic impressions of women's roles and attitudes."

But the question sparked a different response from Ms. Rothberg, who wrote: "A high percentage of advertising has changed very little for two reasons: One, 'it still works,' and, two, 'advertising follows rather than leads the market.' "

Some of the executives had strong responses to some of the questions. "What are some ads that you consider obsolete?" we asked.

The ads that portray the "new wave of air freight services," wrote Joanne Kaufman, vp-account supervisor, Doyle Dane Bernbach. "Only male managers are portrayed," she said. Also obsolete are most coffee ads. "The woman always brews, the man always drinks."

To the final question: "What other areas of advertising are being affected either by changing demographics and/or the working woman phenomenon?" several respondants noted media selection, advertising to males as decision makers for package goods, more mature models in the ads and more men shown in a parenting role.

Actual commercials cited as examples of the changing trends included a Tab commercial in which the girl being whistled at is both a wife and a mother. "Very refreshing," said one respondant.

Another was the Skippy peanut butter ad in which the little football player turns out to be a little girl. ■

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Youth-market hide-and-seek: Dick Clark's view—Magazine special report

C2710-1 8/2/82

Advertising Age

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MICKELBERRY BOSS SAYS:

Buying agencies profitable hobby

By CHRISTY MARSHALL

NEW YORK—Some people call James Marlas, president-chief executive officer of Mickelberry Corp., a modern-day Renaissance man. He was educated at Harvard, the University of Chicago and Oxford. He has practiced law in London and at the world's largest international law firm, Baker & MacKenzie in New York.

He plays the piano, paints, used to sculpt and has written an unpublished novel. He personally redesigned his Fifth Avenue apartment. He appreciates vintage wines.

And he collects things, like antiques, fine art—and advertising agencies. In fact, the multifaceted Mr. Marlas, who became a large shareholder in publicly owned Mickelberry in 1970 and its president the following year, has transformed the company from a faltering meat processor and baker into an aggressive acquirer of ad agencies that stands out even amid the current rampant acquisitiveness in the advertising business.

JAMES MARLAS

Mickelberry acquired its first agency, New York's Daniel & Charles, in 1972. The company digested and assessed that acquisition until March, 1980, when it went on a buying spree that so far has added five other New York agencies to the fold, the most notable and by far the largest being the highly coveted Cunningham & Walsh, acquired last March.

Prior to Cunningham & Walsh, Mickelberry snapped up Nadler & Larimer, in March, 1980; Landis & Landon, the following month; David, Oksner & Mitchneck, in April, 1981, and F. William Free & Co., in December, 1981.

Last year, Cunningham &

(Continued on Page 62)

RJR/Heublein giant in consumer goods

By ROBERT RAISSMAN and CHRISTY MARSHALL

R.J. Reynolds Industries' proposed $1.3 billion acquisition of Heublein Inc. creates an advertising Goliath that will easily spend well over a half-billion dollars annually.

Their combined 1981 advertising spending last year—$508,279,600—would have ranked RJR third in ADVERTISING AGE's annual 100 Leading National Advertisers survey. In 1980, RJR was ranked seventh with total spending of $298.5 million, and Heublein ranked 26th with spending of $170 million.

Those advertising dollars may not be going through some of the current ad agencies, however; several client conflicts may be created by the giant combination.

With Reynolds backing, Heublein's foods, spirits and wine units are expected to receive added spending muscle, stunned competitors speculated after last week's announcement.

"This does not relate to any specific category such as liquor or fast-food," said one distilling industry executive who declined to be identified. "It's an evolutionary phenomenon of American business whereby mergers of large, disparate companies are part of a larger scheme that will insure economic survival by having one's eggs in many baskets."

In Reynolds' case, those eggs will be apparent whenever a consumer leaves the house. At the grocery store the company will be represented by cigarets, chewing tobacco, pipe tobacco, frozen foods, canned vegetables and fruit, fruit juices, wine, steak sauce, mustard and condiments. Step out on the street and RJR will be into fast-foods with Kentucky Fried Chicken. Move to the corner bar for a splash of Smirnoff or a shot of Jose Cuervo tequila or any of several distilled spirits soon to be in the Reynolds family—all barring any regulatory objections to the merger.

It will be Heublein's beverage division that, according to trade sources, will be Reynolds' No. 1 priority. The divison accounted for

(Continued on Page 58)

Phony coupon draws 6,000 redemptions

Another postal ad sting

By BRADLEY JOHNSON

The U.S. Postal Service revealed last week that it put coupon ads for Attract shampoo, a bogus product, in the *Detroit Free Press*, *Detroit News* and *Flint Journal* in a coupon fraud operation.

An estimated 6,000 coupons were sent in for redemption. The redemption rate of 0.5% compares with a rate of 5% to 7% for a legitimate product, according to George F. Valassis & Co., Livonia, Mich., which printed Attract coupons for the Postal Service.

The Postal Service investigation appears to be continuing. The sting operation is similar to one in New York that used another fake product, Breen detergent (AA, Dec. 18 '78). That postal service investigation brought a number of indictments of retailers and others.

Valassis said it agreed last fall to put the Attract ad into its coupon insert that goes into Sunday papers. The ad went into its Jan. 24 insert, but only in the *Detroit News* and *Flint Journal*; about 160 papers in other markets received regular coupon inserts without the bogus ad. Valassis says it didn't tell the newspapers about the ad. It said the Postal Service was responsible for targeting those particular markets and papers.

The *News* and *Journal* said they do not verify preprinted coupon fillers. "We expect Valassis to check it," a Journal spokeswoman said.

The *Detroit Free Press* ran the ad r.o.p. on Jan. 20 and 27 after receiving copy and a check from a bogus ad agency in Iron River, Mich. "If there hadn't been cash with copy with this thing, we certainly would have checked that one out," said Ken Swaim, director of national advertising for the *Free Press*.

The 25¢ coupon instructed retailers to mail the coupons to an Elm City, N.C., redemption center operated by Donnelley Marketing,

(Continued on Page 58)

last minute news

P&G assigns sanitary napkin product to B&B

CINCINNATI—P&G has assigned a sanitary napkin product to B&B, the agency that handled the ill-fated Rely tampon. It is not known if the new product has been named; however, P&G previously filed trademark applications for the names Arrive, Always and Prove for minipads.

Purina introducing Happy Cat 'semidry' food

ST. LOUIS—Ralston Purina is introducing Happy Cat "semidry" cat food into major Pacific Northwest markets. The extent of the launch was not known at press time, but it is believed to be going national, with heavy media support starting in November. Purina reportedly is readying a fall expansion of Top Secret cat litter deodorizer previously in Marion, Ind., and Pittsfield, Mass. (AA, Feb. 8). TLK, Chicago, handles both products.

(Continued on Page 8)

Hawaiian Punch heralds its heritage

In tv commercials starting to air Aug. 2, Del Monte is going after a new image for Hawaiian Punch drinks. Gone are wholesome Donny and Marie Osmond for images of fun and surf (AA, July 26). "Sail away...Go Hawaiian," is the new theme. BBDO/West, San Francisco, handles.

NEWSPAPER

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Separate ABC/Cox venture readied

ABC/Getty pay-view net may join with Cox, Oak

By SUSAN SPILLMAN

New York—ABC and Getty Oil's proposed joint pay-per-view network has been named RSVP Sports and could soon have two additional equity partners—Cox Cable and Oak Communications.

If part of the venture, Cox would likely provide interactive software and Oak the hardware.

According to Stuart Evey, vp-diversified operations of Getty, no agreement has been made with Cox or Oak, although discussions have been held. Mr. Evey also stated that no launch date or specific events have yet been secured for RSVP Sports. Original plans for the network called for about six major events per year.

With Cox in the fold on the RSVP venture, the ppv effort would presumably have some inherent advantages. For example, Cox, as a major multiple systems operator with more than 1 million subscribers, has a reputation as one of the more aggressive cable marketers. At this point, five of Cox's systems are addressable, with several others being built. Oak, meanwhile, is the leading subscription tv operator with more than 600,000 subscribers. All of these homes could conceivably receive RSVP, since they already have the necessary addressable hardware.

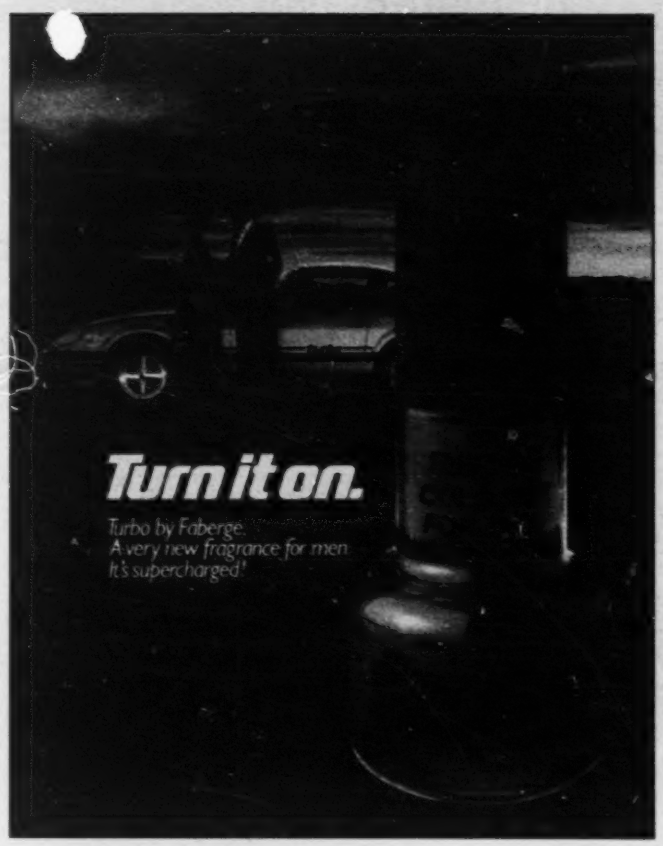
ABC's separate ppv joint venture with Cox Cable, however, Advertising Age has learned; is slated to begin in October. The ABC/Cox partnership, announced in May, will turn on in Cox's 170,000-subscriber San Diego and 43,000-subscriber Santa Barbara systems. Two other systems may also be included, said Art Dwyer, vp-marketing for Cox Cable.

Subscribers in these systems will be offered eight to 10 events per month including major motion pictures, live theater, sports and specials, Mr. Dwyer said. Events will vary in price but by no more than $1 or $2, and various payment schemes will likely be tried.

ABC joined Cox in the venture when it had learned the multiple systems operator was planning to fund similar ppv research to that which it was already intending to conduct.

Questions the two hope to answer are: What interactive programing do consumers want? What equipment will work best and price sensitivity.

It is estimated that the ppv business, still very much in its infancy, could generate well over $2 billion in revenues by the end of this decade.



Faberge is driven

Turbo, the European men's fragrance being introduced in the U.S. this fall by Faberge, will get print ads (via Nadler & Larimer) plus a sweepstakes offering the Datsun 280ZX. The two companies will sponsor the Caesars Palace Grand Prix (AA, July 26).

Late 'Cleveland Press' still makes news

By JIM MARINO
Crain News Service

Cleveland—The *Cleveland Press* died after 103 years of publication last month, but it did not go quietly. What at first blush seems to be the story of yet another afternoon newspaper succumbing to the economy and tv and changing demographics increasingly seems to be far more.

Indeed, the *Press* is generating as much controversy and mystery a month after its demise as it did with some of its best exposés during its heyday as one of the most powerful—and according to *Time* magazine 20 years ago, one of the ten best—newspapers in the country. The controversy centers largely on the circumstances leading up to the paper's folding, and it is mounting:

- According to reliable sources, the Cleveland office of the U.S. Justice Department is investigating whether the *Press* sale of its subscriber list to the rival *Plain Dealer* may have violated antitrust law by contributing to the creation of a newspaper monopoly in the market. *Press* publisher Joseph Cole reported the sale of the subscriber list in a June 17 story on the paper's closing that day.
- The Justice Department probe may be expanded to consider reports, first published by *Crain's Cleveland Business*, that Mr. Cole and Newhouse Newspapers, publisher of the rival *Plain Dealer*, struck a deal under which Mr. Cole agreed to fold his paper in return for an estimated $6 million to $16 million payment. Nominally, this payment was for the subscription list, but observers here say the list couldn't be worth anywhere near the amount said to have been paid. The *Plain Dealer's* real motivation, it is suggested, was to eliminate the possibility of the *Press* becoming a much stronger paper if, as appeared possible, the *Plain Dealer* were to undergo a labor strike.
- In the latest development, Mr. Cole last week sued *Crain's Cleveland Business* for the return of confidential *Press* memos and documents and to block the weekly's further use of the materials in stories on the *Press*. (*Crain's Cleveland Business* is published by Crain Communications Inc., which also publishes Advertising Age.)

Mr. Cole claims the memos and documents, which he says were stolen from the *Press* and given to

(Continued on Page 60)

highlights

Monday, August 2, 1982

Makro, the Dutch-owned self-service wholesale chain, is testing heavy mass media advertising as it begins its introductory effort in Cincinnati. *See Page 4.*

The videogame war has spread to the movie theaters, where Activision, Atari and Mattel's Intellivision all have bought cinema commercials packages. *See Page 6.*

Century 21 Real Estate's renaming of Wells, Rich, Greene on its account has resulted in a reorganization of WRG's West Coast operation. *See Page 6.*

Campbell-Ewald and Ketchum Communications find themselves partly under the banner of the French holding company, Interplans. *See Page 10.*

The American Federation of Television & Radio Artists says it could be forced into insolvency if made to pay a $10.6 million civil suit award. *See Page 12.*

Time Inc. has won a reprieve of up to one year in its battle with the Indian Income Tax Board. *See Page 18.*

The Spanish soft drink La Casera is holding its own against competing larger U.S. multinational brands. *See Page 29.*

The possibility of a new Socialist government could delay the introduction of private tv in Spain. *See Page 29.*

P&G says it will fight a decree by the Swiss government prohibiting the advertising of phosphate detergents on the country's radio stations. *See Page 29.*

Rossignol Ski Co. is taking the offensive against troubles facing the industry by introducing its new VAS ski. *See Page 48.*

Now that the battle for the Falklands is over, it is ad business as usual in Argentina. And McCann-Erickson is one of the beneficiaries. *See Page 48.*

Cockfield Brown, Canada's only publicly owned ad agency, is again ready for a legal battle after its takeover of Toronto's McConnell Advertising. *See Page 57.*

Bitter internal feuding over the FTC's price disclosure rule has created doubts about the commission's survival. *See Page 61.*

CORPORATE CLOSEUP

White Consolidated Industries, which has shifted its emphasis to consumer-based business lines through acquisition, is ready to surge ahead when the economy recovers. *See Page 4.*

VIDEOTECH

National Cable TV Assn. may turn to Congress to set up a barrier to regulations by local governments. *See Page 38.*

MGM/UA Home Video is planning to release a stereo-video spectacular about the Beatles on videocassettes and discs. *See Page 39.*

Atari is stepping up tv ad support for its own game cartridges in an effort to counter proliferating Atari-compatible games made by its competitors. *See Page 44.*

FCC has decided to make some technical changes that will help uhf stations compete better against vhf. *See Page 44.*

MAGAZINE

How Islam collides with advertising. Moslem marketers are forbidden to use cleavage, lip-licking and babies' bottoms in their ads—a far cry from the creative freedom American marketers enjoy. *See Page M-2.*

Sounding the message of the Red Cross requires sensitive and emotional copy and art to catch the public's heart and pocketbook. *See Page M-29.*

SPECIAL REPORT

The youth of America have more money to spend than ever before. They also have some very set tastes that are hard to change. *See Page M-5.*

REGULAR FEATURES

ADVERTISER PEOPLE	35	PRESSTIME	8
ADVERTISING MARKETPLACE	53	REGIONAL NEWS	36
AGENCY PEOPLE	22	SIDEBARS	24
BAR/AA NEW TV PRODUCTS	56	VIDEOTECH UPDATE	38
CON-SID-ERATIONS	16	VOICE OF THE ADVERTISER	52
CORRECTIONS & CLARIFICATIONS	6	WEST COAST UPDATE	32
EDITORIAL VIEWPOINT	16	WORLD NEWS ROUNDUP	3
FOR THE RECORD	57		
GETTING PERSONAL	20		
MEDIAMOVES	56		
NEW PRODUCTS	14		
OBITUARIES	3, 48, 56		
PHOTO REVIEW	30		

FIGURES TO FILE

ESTIMATES OF '81 ADVERTISING TO SALES TO GROSS PROFIT MARGIN BY INDUSTRY	41

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SelecTV will expand to 24 hours

By MAURINE CHRISTOPHER

SelecTV, Los Angeles, one of the country's leading subscription tv programers, expects to go head to head with premium pay cable services soon by expanding to a 24-hour schedule on Westar IV, according to the company's president, Lionel Shaen.

The Federal Communications Commission paved the way for such stv/pay cable confrontations recently. Stv station licensees were told they no longer are required to program at least 28 hours of free-to-the-viewer programing weekly.

John Calvetti, senior vp-general manager, SelecTV, said almost all the stv operators now carrying SelecTV's shows are considering going subscription fulltime. This includes KWHY-TV, Los Angeles, and WCGV-TV, Milwaukee, which the company runs itself on a time lease basis. SelecTV pays between $300 and $500 an hour for time in Los Angeles, for example.

- Discussions about full stv operations are in progress now with the licensees of both stations. Among those waiting eagerly to go all—or nearly all—stv for one of his two stv outlets is Ed Taylor, president

(Continued on Page 58)

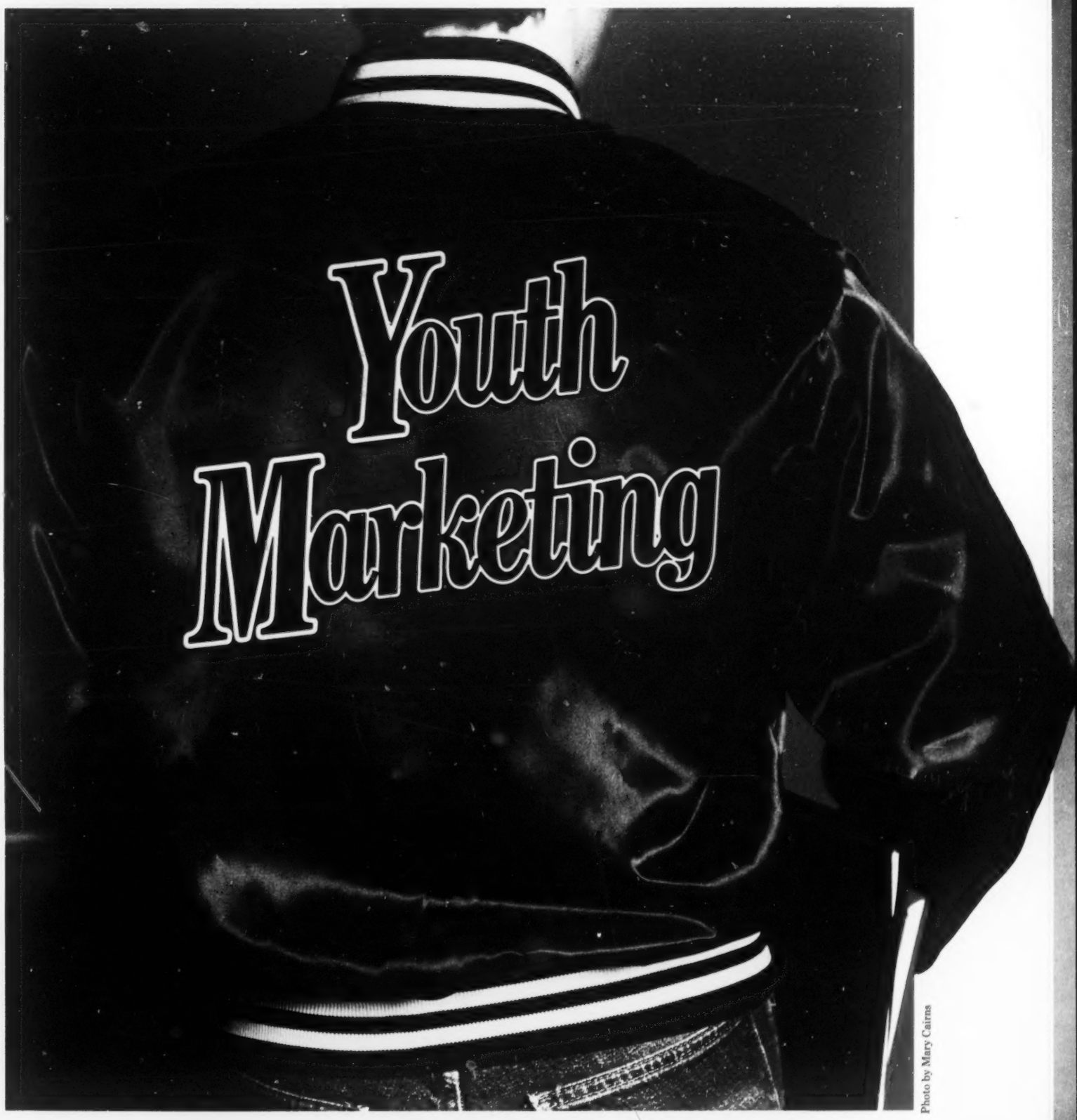

Photo by Mary Cairns

A game of hide-and-seek

By B.G. Yovovich

The youth market seems bent on not behaving the way its elders—and especially marketers—expect it to.

It is easy to recall the many ways that the baby boomers' life styles confounded marketers as the bulk of that generation rumbled through its teens and college years a little more than a decade ago, and today's under-25 crowd is proving to be just as perplexing.

Advertisers are finding, for example, that the mass media have become less and less effective in reaching teens and college students. Preteens, on the other hand, may spend a great deal of time watching television, but research suggests that they are becoming significantly more skeptical of, and inured to, commercial messages.

And even the strength and vitality of today's youth market has surprised the marketing community, many of whose members abandoned younger consumers during the middle and late 1970s.

"In the mid-1970s considerable attention was focused on the declining demographics of the youth market," recalls Lester Rand of the Youth Research Institute, who has been polling the youth market since the early 1950s. "The number of teen agers reached an alltime high in 1975," and projections of the decline in the number of teens caused "varying negative comments on the viability of the market" within the business community. Projections that the 13-to-19 population would fall roughly 7% from 1976 to 1980,

(Continued on Page M-6)

B.G. Yovovich is a Chicago-based business writer and frequent contributor to Magazine.

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Playing hide-and-seek

(Continued from Page M-5)
and that the teen population would fall another 20% by 1990, provoked particularly harsh assessments of the prospects for the youth market.

Such population projections, however, did not take into account a variety of social and economic developments that in recent years have helped refocus interest on the under-25 crowd. For example, the increase in the number of working mothers: More than 52% of mothers with children under 18 worked in 1980, compared with less than 39% in 1970. This has helped increase the importance of the teen market, as this group has begun to take over more and more of the family shopping.

A comparison of surveys of *Seventeen* readers in 1959 and 1979 provides evidence of the change, with respondents in the more recent survey reporting that they took care of 35% of their families' food shopping, compared with 25% in the older study.

Advertisers are finding that the mass media have become less and less effective in reaching teens and college students. Preteens may watch tv, but research suggests that they are becoming skeptical of commercial messages.

A comparison of 1981 and 1960 Rand Youth Poll results yields similar findings, with the percentage of teens reporting involvement in family food shopping having grown from 49% in 1960 to 68% in 1981.

The increase in the number of two-income households—particularly when combined with the decrease in the average number of children per household—also has meant that today's teens are likely to have more money spent on them by their parents.

"Young people have been the prime beneficiaries of the [growth in the number of] two-income households," says Mr. Rand, who adds that "the amount of money spent on gifts for young people is enormous."

When the funds received from parents and the money teens earn from jobs are combined, Mr. Rand estimates that they spent roughly $40 billion last year—more than 50% higher than in 1976, despite a decline of more than 7% in the teen population.

Today's teens also have endeared themselves to marketers by showing far more interest in grooming, fashion and personal care than did the youth of the 1960s. For example, according to a recent *Teen Magazine* survey, teen agers now spend more than $1 billion a year just on jewelry, and spending on clothing, cosmetics and personal care products is on the rise.

Not all is rosy on the teen marketing scene, however, and some of the same things that have helped make the teen market more attractive also have made it harder to reach. Teens traditionally have played hide-and-seek with the mass media, and their assumption of increased household duties and the increase in the number of teens with parttime or fulltime jobs mean that the mass media are finding them even busier and less accessible. The booming popularity of videogames among teen agers has further cut into the mass media's 13- to 19-year-old audiences.

An even more fundamental problem further complicates efforts to reach this group: The fragmented nature of the teen market.

"The interests and concerns of a 13-year-old are very different from those of a 17-year-old, which are very different from those of a 19-year-old," observes one marketer. "That complicates any effort to reach the entire teen market."

The "trickle-down" benefits of two-income households that have bolstered the teen segment also have helped make preteens a more attractive market, as have some promising population projections. With members of the baby boom having begun to form their own families, the number of births in the U.S. has risen from a low of 3.1 million in 1973, to 3.6 million in 1980, and demographers project that, by the mid-1980s, U.S. births will exceed 4 million a year and will help spur demand for such products as toys, candy and breakfast cereals aimed at preteens.

Just as with the teens, however, the good news for marketers is tempered with some bad: The youngsters are becoming disillusioned with advertising.

"By the time kids are 8 years old, they have gotten very suspicious of advertising," explains an executive who used to be involved with McDonald's Corp. ads directed at preteens. "Kids feel as though all the ads want to do is get them to buy, buy, buy —that advertisers don't care about kids at all."

As a result of such findings, McDonald's ads aimed at preteens generally use a very "soft sell," stressing the adventures of Ronald McDonald and hardly mentioning products.

Undoubtedly the most attractive part of today's youth market has to be the college segment, and it's easy to understand why:

- It is growing, currently 12 million strong and expected to increase by roughly 200,000 a year through the 1980s.
- It is affluent. The Rand Poll estimates that after college expenses are paid, the average student has roughly $2,200 a year that is almost entirely disposable income.
- It is relatively recession-proof. As one ad executive points out, "When money gets tight, parents will make every effort to keep it from affecting their kid who is away at college."

Recent surveys of the college market not only document the collegians' expected proclivity for such things as hi-fi equipment, electronic calculators, beer, and airline travel, but, says Mark W. Rose, vp-marketing with CASS Student Advertising, "It has gotten to the point today that the college student actually comprises a mini-household. We're beginning to see interest from [companies that market] those kinds of general products that are necessary for consumers who are trying to set up their own households."

College market insiders point to Tylenol and American Express cards as examples of products that have become more aggressively marketed to college students, and they claim that a number of companies—including Armour, Eastman Kodak, and Ralston Purina—are about to begin addressing the college market.

As attractive as the college market may be, efficiently delivering the advertising message to it is another matter.

"College students are hard to reach [with advertising] because they are more active than other people," says Jeffrey Dickey, president of Alan Weston Communications, a diversified college marketing company in Los Angeles that publishes *Ampersand*, a magazine aimed at college students. "They're single, and they socialize more. They go out to parties, to concerts, to football games, to movies. They're out and around a lot, and they're not penned into situations where they can be reached by conventional media."

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Several market research studies conducted in the last few years, for example, have found that college students watch about a third of the tv watching that the general population does, putting them in the lowest quintile of tv viewing audiences.

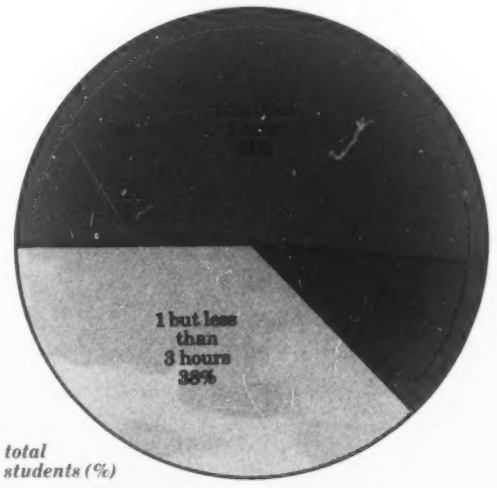
"In the next two or three years they are going to get even harder to reach because of all the alternative media they'll have available," adds Mr. Dickey, who predicts that videogames will cut into college students' already meager tv-watching time.

Given such difficulties and the growing interest of marketers in reaching the college market segment, it is not surprising that a number of efforts are under way to improve old vehicles and develop new ones that can deliver collegiate audiences.

Alan Weston Communications, for example, is developing a college-oriented soap opera series for radio syndication starting this fall. Set on the campus of fictional Upstate University, the five-day-a-week, four-minute show is expected to premier in January, 1983, and will be syndicated to album-oriented rock stations around the country and will be promoted via college newspapers. Weston officials also mentioned ambitious plans for an innovative way of reaching college students with tv programing, but they said that de-

Hours spent with television yesterday

daily viewership

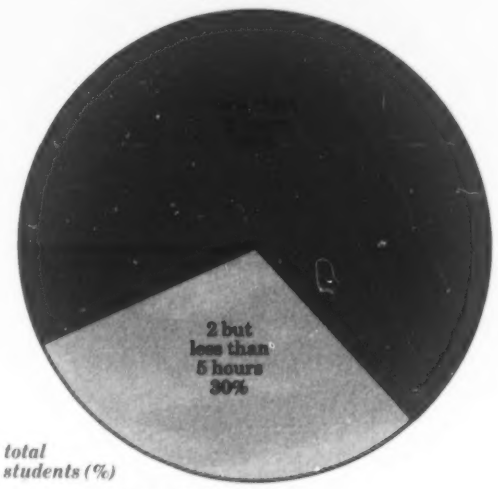


total students (%)

Average Time Spent Viewing per Day: 1 Hour, 20 Minutes

Hours spent with radio yesterday

daily listenership

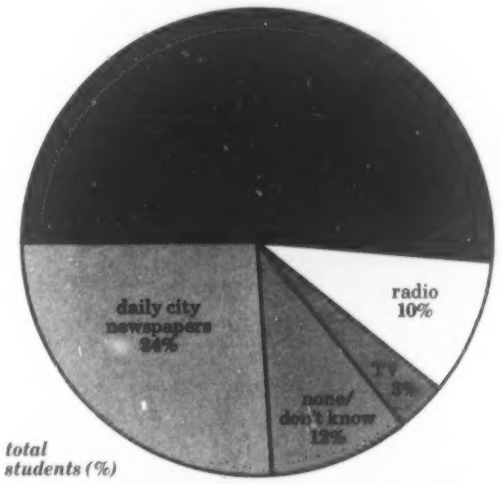


total students (%)

Average Time Spent Listening per Day: 1 Hour, 56 Minutes

Most honest and credible media

contains ads/commercials which seem the most honest and credible



total students (%)

Source: National Study by Belden Associates, Dallas, for CASS Student Advertising Inc. Used by permission of CASS Student Advertising Inc.

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